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## Near East/South Asia Report

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20 MARCH 1987

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REGIONAL AFFAIRS

KHASHOQJI DISCUSSES ROLE IN IRAN WEAPONS DEAL

Abu Dhabi AL-ITTIHAD in Arabic 15, 22 Jan 87

[Interview with 'Adnan Khashoqji: "Khashoqji Acknowledges: 'This Is My Role in the Iran Weapons Deal; U.S. Intelligence Subjected the Iranian Middleman to a Lie Detector Test';" in Paris; date not specified]

[15 Jan 87 p 17]

[Text] AL-WATAN AL-'ARABI Magazine, which is published in Paris, conducted an extensive interview with Saudi millionaire, 'Adnan Khashoqji. In that interview Mr Khashoqji revealed more details about his role in the Iran weapons deal. The text of the interview follows.

[Question] Much has been said about 'Adnan Khashoqji. Some of it has been public, and some of it has touched upon even his private life. The convictions we in the magazine have are invariable, and they stem from national assumptions. We believe that you are free to do as you please in your private life, but what concerns us specifically is that part of your life which has to do with our public issues. We hope to keep the focus of this candid interview on these matters. Your participation in the weapons sale to Iran, for example, has not been understood. Was your involvement based on your convictions? How do you explain your involvement in that deal?

[Answer] Had you been following the program that we showed before this interview, you would have noticed that I was candid and concealed nothing in the report I wrote to McFarlane. Before that I had written a report to a few Arab rulers in which I told them that someone had gotten in touch with me in Hamburg, Germany when I was buying these carpets that you see here. (He points to the carpets.) I was approached by that person, who is an Iranian, during a luncheon with the owners of these carpets. The man talked about peace and about the Muslim blood that was being shed. What he said made sense. I understood it, and I empathized with it. What is this destructive Iraq-Iran war? Such tremendous Islamic power which could have been utilized to defend Arab rights and Palestine is being wasted. Wasn't the Iraqi army second in strength to none other than Egypt's army? And what would the Arabs have left after Egypt's and Iraq's power are gone?

With that rationale I understood what the man was saying. I am a businessman, not a politician. To understand my way of thinking, please accept that as a fundamental premise. I have no political ambitions: I have no aspirations for government, nor do I have any desire to run in an election. I have the personal freedom that enables me to judge for myself where Arab interests lie as I see them, not as the principal parties in those interests see them. Even heads of state have their own interests, and they see them differently from the way most people see them.

Wasn't it the Americans who got Iraq involved in that war? Weren't they the ones who manipulated matters right and left based on the claim that the war could last 2 months and would be over? All they wanted was revenge from Iran because of the hostages case.

[Question] This point is not clear. How did Iraq become involved in this war? We want the information you have, not your conclusions.

[Answer] U.S. intelligence suggested that the United States would not interfere in the war between Iraq and Iran and that if war were to break out between these two countries, the Iranian army was likely to carry out a coup against Khomeyni and regain its unity. That was what U.S. intelligence had in mind at the time. We are not saying that they conspired with Iraq. That would be pointless. No one, not even the Russians or Americans, can carry out such a conspiracy. That is nonsense. But events do occur, and they are exploited in the interests of one or another party.

[Question] We in AL-WATAN AL-'ARABI have been following what happened during that period. On 4 September 1980 Iran attacked Iraq: explosions occurred and assassination operations were carried out.

[Answer] At that time they thought they could overturn many regimes just as they had overturned the Shah's.

[Question] It may be true that the Americans did not get Iraq involved in the war. They did, however, induce some of their supporters in Iran to set the stage for the war.

[Answer] You are right. (Mr. Khashoqji continued.) Also when we go into the details of how the United States got Iraq involved in this war, you will realize that the United States was directly involved in that operation. We ask a logical question: who is benefiting from this? The answer is obvious: the Americans and the Soviets; no one else. The Soviets are watching the Americans because they know in advance and with certainty that the Americans will make many mistakes. They can then take actions that enable them to benefit from those mistakes without having to go through the trouble of fighting directly in a battle. I am convinced of that after studying the American and Soviet situations all over the world. I found the Soviets to be intelligent in one aspect only: they wait for the Americans to make mistakes, and then they turn those mistakes to their advantage in the easiest way.

This war in the gulf has gone on for too long, but whose advantage is being served by it? Despite President Saddam Husayn's peace initiatives, the Iranian



regime is being stubborn. In the aftermath of the oil crisis and the money that was squandered, nothing can be gained in the entire Arab situation from the protraction of this war. All the money we had in this area has gone either into development and construction work in our country or in the wars that we fought.

Let's be more candid and more unequivocal about this. Who are the Americans after all? They are Israel. The United States is subordinate to Israel; but Israel is not subordinate to the United States. I prove that in the operation I carried out ([referring to] the weapons deal to Iran). Of course I did not set out with a plan to prove that; it happened spontaneously, but it did happen.

#### It Happened in Hamburg

Let's go back to our main discussion and to what happened to us in Hamburg. I was informed that this man, Manucher Ghorbanifar, was an insider in the Iranian regime and that he had been president of a shipping firm during the days of the Shah. Later, he worked with Savac. For a while he had had no relations with the new Iranian regime, but then he established relationships with non-extremists in the government. There are three factions within the regime, all of whom are subordinate to Khomeyni. The first faction is represented by Rafsanjani, who stands in the middle between the moderates and extremists. There is a moderate faction which is led by Muntazeri, Khomeyni's successor, and all those around him are moderates. And the third faction is the extremists' faction, which includes the Revolutionary Guard and others. They are the ones who are fighting among themselves over who will succeed Khomeyni after his death.

The man who got in touch with me in Hamburg told me that the moderate faction was willing to open channels of communication with the Arabs to bring this war to an end. I relayed this information to a few Arab authorities and to the Americans. But first, we had to determine who that man really was and whom did he represent. I talked this matter over with President Husni Mubarak who has good relations with Iraq; he also has good relations with King Husayn.

Armed with information about that person Iraq could be approached on that level. So I gave all the information I had to President Mubarak. Cairo asked that the man come to Egypt, so I brought him to Cairo where he met with a few Egyptian officials. That was before July 1985. This person could not have dealt directly with Iraq to avoid the embarrassment to which he might be subjected as an Iranian.

After that President Mubarak used his own private methods to get in touch with the Americans. It was decided that the man make direct contact with the Americans. It was during that time that I wrote my well-known memorandum to McFarlane who thought that the United States could not be directly involved in the matter. He wondered if the Egyptians could do the job. I told him that the Egyptians had turned the matter over to him. McFarlane then told me that it would be best if the Israelis were to do the job in secret so that the United States would not appear in the picture. I told him, "This is none of my business. I can, however, inform Peres of the matter if you wish."

[Question] I beg your pardon. I did not hear the last sentence. What did you say?

[Answer] I said that I knew Peres and 'Arafat. There are many stories in my report to McFarlane. My relationship with Peres is not a hostile one. I do not see him as an enemy. He is a human being. We happened to meet in Venezuela before he became minister.

[Question] In Venezuela? Approximately what year was that?

[Answer] Approximately 5 years ago.

[Question] Very well. Let's go on with the main story.

[Answer] The Americans sent an envoy to meet with the man. Kimche, secretary of Israel's Ministry of Foreign Affairs at the time, attended the meeting as an American. I mentioned that on American television. A person whose name is (Karubi) was brought in. In fact, there were two (Karubis), and they were brothers: one of them is a moderate and the other a radical. The Iranian situation and the circumstances of the war were discussed, and a tendency toward peace emerged. But that did not please the Americans or the Israelis. I was there listening to what they were saying. Even later when they would forget that I was there in their midst, they would say, "It doesn't matter to us whether there is war or peace. What matters to us is how we can save Iran from communism." And it is here, of course, that international interests start getting in the way. And of course it is in Israel's interests that this war go on forever.

#### Cousins

I maintained that the man had to prove to us in some way that he was serious. An agreement was reached that the two parties deal with each other directly, and I was out of the picture. For 3 months I knew nothing about what was going on. The Iranian had been whisked away. At first, the issue was not one of weapons or hostages. My report to McFarlane showed that the entire operation had been an attempt to start a dialogue with moderates in Iran so as to put an end to the war.

Afterwards, the man got in touch with me and told me that he had gone to the United States. He told me, "We talked with the Americans, and we agreed on the principle that our power on the hostages question would be put to the test." In return, the Iranians would test American intentions. The Americans would send a symbolic shipment of weapons--about 500 TOW missiles!

In my opinion that quantity of weapons would have no effect on a war of such magnitude as the war that was going on between Iraq and Iran. The whole thing then boiled down to each party wanting to test the other.

I told the man, "Fine, good luck!" And he said, "But there is a problem. Iran doesn't want to pay the Americans, and the Americans don't want to send the weapons before receiving payment." Then I asked, "How much money?" He said, "One million dollars."

Let me tell you quite frankly that at that point I thought a conspiracy was going on. Would 1 million dollars matter to a superpower like the United States?

Would 1 million dollars matter to Iran when it needed these things? It was then that I got in touch with our cousins.

[Question] Your cousins? Who are they?

[Answer] I mean Peres and his group. I asked them if what I had heard was true, and they said it was. So I asked, "Why don't you pay the money?" They replied, "This has nothing to do with us. Our role is merely that of a go-between in the operation between the United States and Iran."

I said, all right, and I put up the money. I told the man, "Here it is." Two weeks later he gave me a check for 1 million dollars. The first operation was carried out with 1 million dollars. The second operation took place 2 weeks later. They said, "We want 4 million dollars." The aim of that operation was to secure the release of William Buckley, the CIA man who had been kidnapped in Beirut. Getting Buckley back was the most important thing for the Americans. My role was that of a go-between for the money, and Israel's role was that of a go-between for the merchandise. The Americans supervised the operation.

Again, 2 weeks later, after the airplanes had flown over to Iran and returned, one of the hostages was released. But it was not the person whose release had been agreed upon. It was Father Benjamin Weir, a clergyman, who was released. It was said that Buckley had died. Of course, the Americans were nervous and edgy, and, in fact, it seemed that they [the kidnappers] had "wasted" him [Buckley].

As far as I was concerned, however, I was convinced that the man was serious and that he had contacts with Iran's prime minister. The man had been tested. Then I went to a senior Arab official (Mr Khashoqji named that official.), and I told him what had happened in detail. I told him that the Americans had tested the man and that he did in fact deliver "the goods." Two hangars were opened at night in an Iranian airport, and Israeli airplanes had landed and delivered "goods" that were worth 4 million dollars. This means that we, the Arabs, had it in our power to get to them. I suggested that he relay the matter to the highest authorities in Baghdad so that a way could be found to embrace those people, particularly since the question was ultimately one of money. Those people want to be ready to seize power after Khomeyni's death. When you calculate the difference in the rate of exchange, you will find that 1 million dollars is worth 20 million [rials] in their currency. But I don't get involved in politics. I might open the door, look from a window, or say come on in. But I do not practice politics on a full time basis because I am neither a spy nor a politician. My interests lie strictly in having peace in the region because if there is peace and if I have good relations with both parties, then I can do business and trade with both sides. That's all there is to it, quite frankly. And there's nothing wrong with that.

What I mean to do here is give you an idea about the commercial reality so that you would not say that 'Adnan was going after something else.

So we went along with that operation. But then there was all this confusion between the Israeli team that was undertaking the operation and the Americans who wanted to get some money for Nicaragua. Actually, I was not informed about

what happened. All I heard was that the operation had been stopped, and I thought that Buckley was the reason.

When you read my memorandum to McFarlane, you will find that I hold the Americans responsible for the bloodshed there because of greed and other reasons. And frankly the Arabs are doing nothing. I don't know how Arab leaders practice politics. How can they waste such an opportunity? That man was tested by the Americans and the Israelis; he had passed the test and proved to be truthful. How can we let him go?

#### A Coup from Within

Two or 3 months later the Iranian disappeared, and I no longer saw him. But then he called me and said he had been looking for me. I was in the United States at the time, and it turned out that he too was there. I asked him, "What are you doing here?" He was not supposed to come to the United States, but it turned out that he had been allowed to enter the United States. He was injected with a certain substance, and he underwent a lie detector test. He was asked to close his eyes; he was asked 100 questions; and I don't know what else. At that point the Americans intended to keep the Israelis out of the operation; they intended to take it over themselves.

[Question] Does this mean that this was done at the Central Intelligence Agency?

[Answer] Yes, and it became clear after the examination that the man was telling the truth. Some people in intelligence say that the truth ratio is 80 percent and the falsehood ratio is 20 percent. At that time the Americans wanted all the hostages to be released at once. They wanted to have direct talks with Tehran and with each Iranian party that was involved in this operation. They wanted to talk with people who were subordinate to Khomeyni and not against him. What caught my attention and what was "nice" about this was that there would be no new coup from outside, but that the coup would come from within. As I said, there were actually three factions, but they overlapped each other. For example, one would find a moderate in the center and a radical with the moderates and so on. In other words, their people were deeply involved in the various factions. They knew everything about each other.

[Question] What did the Iranian middleman want when he got in touch with you?

[Answer] He told me he wanted 10 million dollars. He said that that would be the "coup de grace," and he informed me that the Americans were willing to send McFarlane to Tehran. I got in touch with the American authorities to verify what he had told me, and they did. They said they had tested the man, and they were convinced he was serious. They said they wanted to get involved in the operation directly and that Israel's involvement was not good. They said they wanted 10 million dollars from me for 1 month. I could manage 1 or 4 million dollars for a week or 2, but not 10 million. I thought that I could guarantee a loan from the bank but that they should pay the interest on the loan. And interest on 10 million dollars for 1 month is much larger than interest on 1 million dollars for 2 weeks. The deal went through on that basis, and McFarlane went to Tehran.



I'll tell you what happened to him there. Then a second hostage, David Jacobson, was released after that. He was on the faculty of the American University in Beirut.

Fifteen million dollars were earmarked for a third operation to secure the release of the remaining hostages all at once. Afterwards, political dialogue between the two parties would be started.

McFarlane arrived there, and as far as I know, Khomeyni had no knowledge of McFarlane's arrival in Tehran. Only Rafsanjani, Prime Minister Musavi and Ayatollah Muntazeri knew about McFarlane's arrival in Tehran. He was afforded the reception of a VIP, and he was given a private suite at the Hilton Hotel.

#### Rafsanjani's Son

Faced with the fact of McFarlane's presence in Tehran, the Iranians didn't know how to break the news to Khomeyni. McFarlane waited 1, 2 and 3 days, and they kept postponing the appointment. Finally, McFarlane told them that he would leave Tehran if they did not have an answer for him by 3 p.m. McFarlane wanted to hear that Iran would use its influence to secure the release of the remaining five American hostages all at once.

It was at this point that U.S. intelligence came into the picture. CIA Chief William Casey contacted Rafsanjani's son while McFarlane was in Tehran, and the man was quickly sent to see McFarlane and to keep him from leaving Tehran empty-handed. The Iranians asked for about 1,000 TOW missiles, and they wanted some spare parts for Hawk missiles for about 5 million dollars. Rafsanjani's son closed the deal immediately without checking with the prime minister and behind the back of the Iranian middleman. The goods were shipped at a cost of 8,000 dollars apiece. But the same materials were being sold to the prime minister at a cost of 12,000 dollars apiece. The Americans believed that they had reached the source of power in Iran and that Rafsanjani's son was the man to deal with in Tehran.

When the others, including Muntazeri's group, found out about the deal with Rafsanjani's son, they were furious. They distributed leaflets against Rafsanjani and accused him of selling out to America. Then they went to the Syrians and told them the whole story. At that time the United States was waging a campaign against Syria, and the Syrians did not think twice about publishing the news story and exposing the operation.

All this assumed the character of a domestic struggle so as to put pressure on Rafsanjani, but it was the Americans who paid the price. The relentless American press along with the television broadcasting companies took hold of the scandal. The only thing they care about is promoting their newspapers and their networks. They don't care at all about U.S. policy. Rafsanjani's son, however, dropped out of sight and went to Canada.

Iran's prime minister found out that there had been no manipulation of prices and that it was the Americans themselves who had robbed them. Iran's prime minister found out that the Americans had doubled or tripled the prices and that the real price for the goods the CIA had sold was actually 12.5 million dollars.

CIA Chief Casey testified to that in Congress. What happened then to the rest of the money?

We made the 10 and 15 million dollar payments to a company called Lake Resources. I would take the check from the man, and that would be my collateral. It turned out that North and his group took this money. Some of that money may have gone to men like Maj Secord, who with a few others was managing that company for the Central Intelligence Agency. Some of the money found its way to Nicaragua. I don't have a complete idea of what happened, but the American investigations will show all that.

At that time I was just standing on the sidelines. But when the clamor grew and became wider, I realized that many people would find themselves in an awkward situation. So I told myself that it would be better to tell my story as it is before rumors started flying all over the place, particularly since I had nothing to hide. I gave three or four interviews to the Americans, and they were satisfied with the truth.

#### My Story with Peres

There is of course one thing that became public for the first time, and that is my relationship with Peres. A number of senior Arab officials know about this relationship. One time I was even sent to Peres by a Palestinian official, and Peres and I talked about mutual recognition between the Israelis and Palestinians. We talked about putting that agreement in a Swiss bank so that neither party would think of betraying the other.

The Palestinian official had asked me then, "Do you know Peres well?" I told him, "Yes. I keep no secrets from you. I may keep [something like that] from the general public, but a man like you should know everything. Your success is what matters and life goes on whether we want to admit it or not. The Israelis will take all the land, and we have to wake up and take the land from that man (that is, Peres). He is the only one who can give us the land, if it is not too late."

I know Peres; I studied the man well. He actually believes that peace with the Arabs is much more important than war. The rest are deceitful, and they will take all the land. And foremost among them is the current prime minister, Shamir. They are trying to implement Sharon's well-known plan..., but Peres is the only man we have left in Israel.

I say that because I am convinced it is so, not because I want to help Peres or anything like that. Nevertheless, it is too late. Peres is no longer prime minister; he is now the minister of foreign affairs. From now on and for the next 5 years, we will all see that somehow the West Bank will be evacuated and all of us will be out. Even Egypt with all its greatness is now gone! Can you tell Egypt now to abrogate the Camp David agreement? It's not possible. Egypt is receiving 3 billion dollars a year. What would happen under the current conditions of misery if this money were to stop coming? It's not possible.

If you were to ask me whether money was the basis for all that, I would tell you that money is what is keeping the Camp David agreement from unraveling. Without

money many things in Egypt would have changed. President Mubarak is disgusted with many things.

When I sent President Reagan a memorandum in 1983, I said that his plan lacked something fundamental: it lacked money. Who is benefiting from a region like the Middle East? The beneficiaries are the United States, Europe and Japan. Why then shouldn't a banking institution be established with 200 or 100 billion dollars? At that time Arab funds were plentiful, and we too could have contributed to such an institution. There would be no reason why some Arab countries and Israel could not rely on this fund to develop their resources. This way everyone would be connected in earnest to everyone else in a peace link.

When one has in-depth discussions with the Israelis, one realizes that they do not want peace. And this is astonishing because the logic of numbers would say that we, the Arabs, would ultimately win. Reason would indicate that. If the war policy were abolished, international aid to Israel would be abolished and many other gains Israel had made over the past 30 years would also be gone. All of that would be gone, and for what? For a piece of paper?

#### The Vanquished Begin

Consider Egypt, for example. Egypt took back the land, the oil and everything. But until now Egyptians do not return the Israelis' greetings. Consider this matter well, and you will realize that the Israelis found themselves helpless in this matter. What subdued Begin in particular was the agreement with Egypt. He believed that he had given Egypt everything and received nothing in return. It is curious that he is not taking into consideration the fact that the agreement succeeded in neutralizing a major, Islamic Arab country and that it upset the balances in the region.

When we call upon Egypt to abrogate the agreement, can we guarantee it 5 billion dollars, when we were never able to get together on one thing when we were in a state of war? Is the confidence there?

When I look at the Arab world, something stirs in my heart, just as it does in anybody else's heart. I feel nostalgic and homesick. But this does not mean, however, that it may be said that I am subordinate to so and so. In the first place I don't need to be subordinate to one person or another. My power stems from my independence. If something were to happen in my region and I was told, "We don't like you here; go away," I would leave. That's all there is to it. Would I declare war over something like that? What I do stems from my faith in myself, in my homeland and in my country, and it stems from the affection I have for my nation. No one can ever cast doubts about that. That is why I speak candidly. A person who is afraid would not do that.

I said in the report I wrote, a copy of which was sent to Peres, that Israel was the only country in the world that was hated. And in fact, Israel is the most hated country in the world today. And here let me give you every opportunity to think with me so you can understand me better. With our financial power, we, the Arabs, have failed to control the United States even though such control would be easy. The Japanese have a strangle hold on the United States. They took 40

billion dollars from us--the money they saved on oil prices--and they are increasing their purchases and expanding their investments in major projects in the United States.

Think with me about the weakness we experienced. What happened to our endless fortune, and where is it now? What Arab citizen has emerged and forced his way onto the American scene more than I have, even though my methods, such as the airplane, the yacht or others have been described by some as unorthodox and spectacular?

I can pick up the phone at any time and call any senior or small official there who will have the answer I need. This doesn't mean that I have something on them. American greed thrives on conflict and is drawn to it. This is how Americans can be influenced. But in our Arab world no one wants to understand this. Furthermore, they fear someone like me who dares to talk with the press and television and to do so at length and in the most modern way. Anyone can depict anything he wants any way he wants.

The upshot of all this is that we've figured out how to reach Americans. None of these manifestations is for the general public; they are rather aimed at the world which we want to conquer and control. We want to control this world which is controlled by the Jews on one side, and by some other factors on the other.

Those who amuse themselves with 'Adnan Khashoqji's life and say he did this or that, how are they hurt by what I do? I am neither a ruler nor a head of state. Nevertheless, 'Adnan Khashoqji has his place in the United States. He can pick up the phone and talk to President Reagan any time. I can call him up for you right now if you want to hear his voice and if you want him to hear yours. I can also call Nixon, Carter and others. If I wanted to hold a press conference right now, newspaper and television correspondents from all over the world would come right away. Think about this power that 'Adnan Khashoqji has and why is it that the Arabs are trying to destroy it instead of taking advantage of it!

That is the whole story. I told you my story truthfully and honestly. I am now ready to answer any question.

[22 Jan 87 pp 17, 18]

[Text] Khashoqji Admits: "What the Americans Couldn't Get I Got from Peres in 2 Hours!"

"This Is My Story with Numayri"

"I Challenge Arab Journalists and the Arab Press: Write Anything You Want. What Have I Got To Lose?"

"No Arab Told Me as Much as a Thank You; but Israel Was the Only Country That Told Me Welcome!"

AL-WATAN AL-'ARABI Magazine, which is published in Paris, is printing the second part of its explosive interview with billionaire 'Adnan Khashoqji in tomorrow's



issue. AL-ITTIHAD AL-USBU'I had published in its last issue the first installment of that article, which was tantamount to a monologue by Khashoqji. This installment, however, has Khashoqji's answers to questions that were put to him about Israel, about the secret Iran weapons deal and about his relationship with Sudan's deposed president, Ja'far Numayri.

The text of the interview follows.

[Question] It is true that what you've related here has clarified many points. However, we were unable to understand the point about giving weapons to Iran.

[Answer] I was not involved in the dialogue that took place between the Iranians and the Americans. That dialogue focused on the question of the hostages. The Americans said, "Give us the hostages," and the Iranians said, "Give us a symbolic amount of weapons." I did not get involved in the details of that dialogue. I became involved only after agreement was reached, and they told me, "Give us the money." Twenty million dollars are worth nothing in a military equation. You can think of me as an Iraqi spy in this story. At any rate, I would not poison the well for the sake of 20 million dollars, or any sum of money I could afford, if the money would put the moderates in Iran in power and help them succeed in bringing an end to the war. I was willing to pay between 5 and 6 million dollars out of my own money to achieve such an objective.

I went along with what was going on quite sincerely so that moderates in Iran could achieve power. If that were to happen, President Saddam Husayn could then make peace. As Arabs and Muslims our destinies are tied to each other. The Iranians after all are Muslims, just like the Arabs, Pakistanis, Indonesians and other Muslim peoples.

I was one of those people who suggested that an Islamic force be established to effect the disengagement of the two warring countries. Who turned down that suggestion? It was the Americans.

[Question] Didn't Iran turn it down too?

[Answer] What would have been the outcome if an Islamic force had been established and if the United States, after approving the establishment of that force, had helped transport it, let's say, to Iraqi territory where it would be stationed all along the borders? There would have been a second Islamic army standing beside the Iraqi army. The U.S. rejection means that the United States has another objective. But what is it? Does it want the region to disintegrate completely? Who would benefit from that? The only beneficiary of such an outcome is Israel because the weaker the Arabs become, the more entrenched the Israelis become in their positions.

Peres himself told me in a meeting such as this one that it would be in the Arabs' interests to make peace. He said, "Time will pass, and I will leave office without achieving that objective. Let me take one step further and tell you right now that there will be no peace in the region." (Mr Khashoqji continues.)

'Adnan Khashoqji did not receive as much as a single thank you for everything that he did. But who was the only party that siezed the initiative and welcomed me openly? It was the Israelis.

I am not running a front for Iran, Israel or anybody else. I believe in our Arab world. But I also think that we are in a state of disarray that will be the ruin of all of us. Consider the meetings that were held at the Fes Conference and thereafter: don't they constitute indirect recognition of Israel by all Arabs, including Syria? What then is all this fuss about an ordinary citizen, 'A ian Khashoqji, sitting and talking with Peres? Didn't the king of Morocco, who is president of the Arab Summit Conference and chairman of the Jerusalem Committee, receive Peres in his home? Was anything said about that? There was a minor uproar which later died down. Why all this fuss? Do we want to kid ourselves or destroy each other?

I haven't been dealing with Arab journalists and with the Arab press for many years now because I found that to be useless. They don't believe in what they are doing. They are people who are told what to do, but they cannot make choices. Why should I get myself involved in such an atmosphere? Let them write anything they want to write. What have I got to lose?

An Ostrich or a Camel?

[Question] I had two comments I wanted to make on what you said. But after your last statement I have three.

[Answer] Go ahead.

[Question] My first comment is that you presented yourself in this interview in two ways: as a businessman, on the one hand, and a non-politician, on the other. What you said, however, makes it evident that you have immersed yourself in politics. Let me give you three main examples: On 17 May 1983 you presented to President Reagan a memorandum on Arab-Israeli negotiations.

[Answer] (Mr Khashoqji interrupts) No. I suggested to the president that to make his plan succeed, he had to attach a carrot to it. That is, he had to have a new Marshall Plan.

[Question] (continuing) Second, you immersed yourself in politics when you submitted a memorandum to McFarlane. Third, you became involved in a weapons deal whose objective in your view was political. I am reminded of a story, and please forgive me for using this comparison. A bird once told an ostrich, "Come fly with me," but the ostrich said, "No, I can't fly because my crown is as heavy as a camel." Then a camel told that bird, "Come carry this load with me," but the bird said, "No, I can't. I'm a bird." That bird presented itself one time as a bird and another time as a camel, depending on its interests.

Forgive me once again, but you do contradict yourself when you say that you are a businessman who is not interested in politics, when everything you did was political. This is the first comment.

[Answer] I didn't say that I was not interested in politics. I said that I wasn't thinking about running in an election, seeking power, or carrying out a coup d'etat in any one of the Arab countries.

[Question] That means that you have no political ambitions, but that you do immerse yourself in politics.

[Answer] Yes indeed! Business is all politics.

[Question] The second point that is contradictory in what you said is this: You practice politics on the highest levels and with the chief of the strongest country in the world. You must have realized, just as the smallest ordinary Arab citizen did, that [your] involvement in an Iran weapons deal--whether that deal involved one rocket or even a single bullet--coincided with Iran's threat to Iraq. Iran intended to launch a new offensive against Iraq to isolate the southern part of the country. Iran, which was amassing and mobilizing large numbers of Iranians, has been scrambling all over the world to acquire weapons. The United States was not the only country approached by Iran in its efforts to purchase the weapons it would use to launch its offensive on an Arab country that is called Iraq. The contradiction lies in your statement that you were giving weapons to a country that was preparing itself to launch an offensive, and yet you say that your objective was to achieve peace. What kind of peace is this peace that you intended to achieve?

It seems that U.S. citizens themselves rejected the deal. They turned it down, and they found it to be immoral. The basic charge against Reagan is that he lost his credibility with his allies and with his people. You must have asked yourself about the credibility of such an operation and ....

[Answer] (Mr Khashoqji interrupts.) If you had put to me that question differently, and if you had asked me whether or not I would do the same thing if I had to do it over again, I would say, yes indeed. Let me tell you why.

[Question] We won't ask you that question.

[Answer] (Mr Khashoqji continues.) We have to face the bitter truth, which is that if the Iranian regime is not changed from within, Iraq and other countries as well will suffer from the protraction of the war. Something must happen within the regime.

[Question] The objective was a proper one, but the method of achieving it was not. How can you give weapons to an aggressor?

[Answer] The weapons are none of my business. Read that in my memorandum to McFarlane. It became evident from my talks with this group and from what we heard from U.S. intelligence and from the Israelis that Iran's military situation was not strong. [We learned] that Iraq could occupy all of Iran and that Iraq's weapons were greatly superior to Iran's. The last operation proved how impotent Iran was militarily. Of course, I was not out of the picture, but I also was not exactly sitting idly by, whiling the time away on the Champs Elysees. What we were working for was to bring a moderate regime to Iran that would join President Saddam Husayn in bringing an end to the war and then sign a

peace treaty with him. Was there any other hope for finding a solution to this problem? Actually there wasn't. My role was like that of an undercover soldier who was carrying out an operation that would achieve that objective. At first the deal was not to be worth more than a certain amount. And what is the value of 1 or 5 million dollars in such a war?

[Question] No. Permit us to clarify the story of these millions which are involved in the deal. You know very well that the United States has a law which requires the president to notify Congress and obtain its approval of any weapons deal that goes over a certain amount of money.

[Answer] That limit is 50 million dollars.

[Question] That explains why the price of the weapons that were sold to Iran was reduced; the price was reduced so that the amount of the deal would not exceed the legal limit. Consequently, the deal could go through without having to present it to Congress.

[Answer] CIA Chief William Casey testified in Congress under oath that the deal was not worth more than 12.5 million dollars.

#### Weapons for Radicals

[Question] Let's not dwell too long on the quantity of the weapons that were sent to Tehran. Let's talk about the principle. Had Iran scored a military victory in its recent offensive against Iraq, God forbid, radicals in Iran, not the moderates, would have been in control. They would have proved the truth of the theory espoused by Khomeyni and those hardliners who were left. They would have proved that the protraction of the war was ultimately in Iran's best interests. And here lies the contradiction. How can you say that America wants to reach out to the moderates when it is sending weapons through Israel and giving those weapons to hardliners and radicals?

[Answer] You are absolutely right when you use that rationale to look at matters. But when you consider that the operation had been clandestine and that its objective was to support moderates, you realize that what we were seeking was not what was actually accomplished. The Americans "as smart as they are" botched the operation when they turned to Rafsanjani and dealt with him. That is how they botched the operation. No one, not Reagan or anyone else, cared about the weapons that went to Iran or the hostages who were eventually to be released. Everyone was in a frenzy to accomplish the release of at least half a hostage before the congressional elections.

That is why everything we did was sold down the river. They wanted one hostage released before the elections.

[Question] Let's continue with the second contradiction in what you said. You said that you appeared on television and that what you said satisfactorily answered U.S. public opinion. And yet it is Arab public opinion that started asking questions. You were surprised by the fact that the first question we had on the list of written questions we submitted was about 'Adnan Khashoggi. We



asked: Who is 'Adnan Khashoqji? With whom is he affiliated? What are his convictions? What is his nationality and his religion? Is he an Arab? Is he a Muslim? These are self-evident questions that one may not ask a Muslim Arab. But after the weapons to Iran scandal and your role in it, Khashoqji's image among Arab citizens has become rather blurred.

Personal and family issues were raised about you in the past, and people sympathized with you in that matter in particular. Today, however, you have committed a taboo, a no-no. You are not a state. You are a citizen who says that he is affiliated with his Arab family, his nation and his Muslim kinfolk and so on. Who gave you the right to make contact with Israel when no one asked you to make such contact? You say that you established a media empire in the West and that you have contacts on the highest of levels. That we can understand. You say you are a businessman. And we can understand that too. But who gave you the authority to make contact with Israel? How do you defend yourself?

[Answer] Because I can see the Arabs' mismanagement and because I can see that Palestine, a country for which sacrifices had been made for many years, was gone. I saw that what was left of Palestine will also be gone. I thought that it was my duty as an Arab to do something. Every Arab has the right to do what he wishes to do. Do we have the Gestapo here or what? We are ultimately free citizens, and history will judge whether my approach was right or wrong. But my intentions are good. If I were afraid of anything, I would not have made an announcement on television about whom I was meeting and what I was doing. I am confident that in the end it is my approach, not theirs, that will bring about a result. The Arabs just sit and hide. Like ostriches, they bury their heads in the sand and turn the backs of their heads to the sky.

This story can be viewed in two ways. Looked at in one way, one would see that had we succeeded, had moderates achieved power in Iran, and had peace been achieved in the region, our objective would have been achieved. The methods we used, crooked or proper, wrong or right, ultimately sought that objective. And now all the secrets have been uncovered, and everything has been exposed. Was 'Adnan Khashoqji wrong? No. I believe even now that I was right. And time will prove that. That is one way of looking at the story.

Looked at from an Israeli perspective, one sees Peres who, the entire world had hoped, would come up with something. Who dared speak with him? No one. Who sat with him at a table as al-Sadat did when he cornered Begin and took back from him Sinai, the oil and everything else? Who sat with Peres and told him, "Let's see what you have to give us?" Al-Sadat also received aid from the United States. Don't the Arabs have the courage to get back the rest of the land? The PLO can secure that. But radical elements have brought everything to a standstill. When I gave the plan to a Palestinian official (Mr Khashoqji named that official.), he looked at it without batting an eye. He said nothing for half an hour. He could not believe....

[Question] King Hassan received Peres, and you said that Peres was a moderate and that Arabs could get something from him. But King Hassan declared unequivocally that Peres had adopted a hard line and that he was not willing to give up anything at all. This indicates that Israeli thinking is the same regardless of who is in power: Peres, Shamir or someone else.

[Answer] But the king of Morocco met with Peres at the end of the prime minister's term in office.

[Question] Who bombed PLO headquarters in Tunisia? Who invaded Lebanon? All this was done while Peres was in office.

[Answer] Of course, from an Israeli citizen's point of view, Israeli interests supersede any other consideration. We are not fooling ourselves. We are not saying that Peres is our man. We are only saying that he understood the question of peace and that we should have lured and dragged him to a platform that would have constituted a background for peace.

Who Used Whom?

[Question] You met with Peres. This is the question we have: who used whom? Did you use Peres in the interests of an Arab peace, or did Peres use you in the interests of an Israeli peace?

[Answer] In this case, I used him.

[Question] How did you use him and what evidence do you have that you used him? Your meetings with Peres produced nothing that is known to serve Arab interests. And before that, the Iran operation backfired.

[Answer] Because Peres did not use me in anything. How did Peres use me?

[Question] Peres has much to gain by meeting with an Arab who is well-known all over the world. That in itself is a plus for Peres. Your meeting with him also encouraged any Arab to feel free to make contact with Israel.

[Answer] Those Jews dominate the United States, and the United States dominates us. Let's get the facts straight. Is it right that an Arab nation of over 100 million persons should be weakened and unable to speak with one voice to achieve an objective when those Jews, who are no more than 3 million persons, can line up together like soldiers? And yet, they have a democracy: they yell at each other; they have a Knesset; and they fight with each other. But when their interests are at stake, they all stand together in one line. And you, don't you want to know who your enemy is before you make a judgment about how you will work with him?

I attend meetings with Arab heads of state. Shouldn't I be given credit for being a little intelligent and knowing what goes on in the mind of this Israeli? If I don't socialize with some of them so I can understand where they're coming from, how can I offer advice and participate in debates and talks?

There is something called assimilation, and those of us who have no political ambitions have a duty to keep our ears open. Even you journalists should mix and socialize so you could understand. No one expects you to become agents. They are afraid of us. I want you to know that the only people who are fighting me in the United States are the Jews. Why? Because they are afraid. They don't know how to restrain or control me. They cannot accept an Arab like me having such access to the heads of U.S. corporations, to Congress and to U.S. presidents....

This is the issue: Should I limit myself to enjoying the fortune that I've accumulated?

[Question] Fortune? What fortune? It's been rumored that you are bankrupt.

[Answer] (Mr Khashoqqi bursts out laughing.) And you bought that! (He continues.) I mean, one has to make a choice. One may choose to become involved in such secret matters and play one's role as an Arab citizen without any ballyhoo and hype. It is not necessary that everything I do be published in newspapers on the following day. I believe that what happened does not hurt me as an Arab citizen. Quite the contrary. I speak against the United States and Israel, and I tell them both, "You are wrong because you are treating the Arabs in this way. In the end, the whole area will disintegrate and slip out of our hands."

But Who Are You Anyway?

[Question] After this lengthy introduction let's start with our questions. No Arab, of course, can find out what you said in the United States, and no Arab can see you on television. That is why we prepared for this interview these questions that will put you on the spot. You said that the Arab press was fooling around with many matters and that there was more freedom in the United States. Fine, let's be candid. Freedom all over the world is relative. Even the American press has a certain amount of freedom, and when it infringes upon the American establishment, everyone stops. The press may force the president of the United States to resign, but no one can infringe upon the establishment itself. We, in the Arab press, can speak the truth, and depending on the circumstances, we say more of the truth or less of it. The questions we are raising are those that are being raised by Arab citizens. We want to know how 'Adnan Khashoqqi thinks. What are his standards? What is his affiliation?

[Answer] You can find out how I think from the lengthy explanation I went through.

[Question] No. We want to know how you think about two things: the homeland and your affiliation. Is your fortune your homeland? Are you in fact an Arab and a Muslim by affiliation? How do you manifest that in your conduct?

[Answer] First of all, I am proud of the fact that I was born in the holy city of Mecca and that I lived in that religious atmosphere. Although my father was an educated man and a physician, he used to wake us up at dawn to pray. And even now whether I'm traveling or not, I can't go to bed before saying my prayers. This is a psychological condition. Anyone who gets used to something goes on doing it. In this regard I remember that Harvard University came out with a study which stated that prayer and meditation helped invigorate the veins of the heart. Of course there is a relationship between the spirit and the body.

Like any other person--black, African or Arab--I naturally feel an attachment to the place where I was born. One's birthplace is one's homeland. The attachment a person feels to his land is a secret known to God. I am proud of the fact that I am a Saudi citizen. I am proud of my country and proud of my regime. Saudi Arabia is one of the best countries that gained stability, made progress, and

used money in a good, intelligent manner for hospitals, schools, defense and other purposes. I am proud of all that.

But as far as being a religious extremist is concerned, I am not an extremist. In giving you the picture I gave you about myself, I wanted to say that I have no fears and no political aspirations. And even when lies are said about me, I have no wish to defend myself. Many stories about me were fabrications. Am I going to defend myself every time one of these stories surfaces? That would mean I would be spending the rest of my life defending myself.

Some people may think or say that 'Adnan is now 50 years old and that he may be thinking of going into politics, now that he's made some money. That is not true at all. I can understand being questioned by people about something else. I can understand it if you were to ask me, "What have you done, 'Adnan, with all the resources that you have and all the relations that you made? What services have you rendered to the Arab world?" And when I would say nothing, then you may call me to task. This is the charge that could be made against me. But I should not be told, "You served [your nation], but you did not succeed." Every person makes an effort according to his capabilities and circumstances.

Had we succeeded in this operation, I would have received a medal. You and others would have been clapping your hands for me. But because the operation failed, everyone is asking, "What happened?" But let's examine the consequences carefully so that we could determine whether in fact they were bad. One of the consequences, for example, is that Israel has a dispute with the United States, and Iran has a new dispute with the United States. The entire American regime has been exposed, and its secret relations, those that were not known even to its allies, have been uncovered. Many things then have been uncovered, and the consequences have been positive.

#### Secret Contacts

[Question] Your relationship with Peres is now well-known. But what is your relationship with Al Schwimmer, the Israeli arms dealer? What is your relationship with former Israeli diplomat Yaacov Nimrodi, who is at the present time a weapons dealer? Mr Nimrodi had served as Mr Peres's so-called adviser on terrorist affairs. Do you have contacts with other Israelis?

[Answer] The main relationship I had was with Peres. Al Schwimmer is not a weapons dealer; he is one of Peres's advisers. He was the link between me and Peres, and he is also an American citizen. The business of dual citizenship is well-known in the United States. I met him through a lawyer, and we became acquainted. Then Peres and I met in Venezuela, and I found him to be a pleasant man. I know; I understand. [You are wondering]: did he fool me, and did he tell me any tall tales? What matters is that I liked him just as I liked the Iranian middleman Manucher Ghorbanifar. In time, Peres succeeded and became the prime minister of Israel. I thought that it was my duty then to reveal my relationship with Peres to a few Arab leaders. It was my duty to tell them that I knew him well and to ask them if there was something I could do through that relationship.

When President Husni Mubarak went to the United States after the agreement between Jordan and the PLO was signed, the climate was unfavorable to him, and



officials were not receptive when he asked them to recognize the PLO. That was 2 years ago. U.S. officials neither provided him with solutions to the economic problems that Egypt was having, nor did they give him their approval.

I met with President Mubarak that day in Washington, and he was upset with that situation and complained of many things. Then I went to McFarlane and told him that Egypt should not be treated this way. I told him that if a military government were to come to power in Egypt, it would not care about the United States or its money. I told him that a man like Mubarak should be taken care of and helped. He is moderate in his dealings with the Arabs and he wants to preserve the peace.

McFarlane said, "And how can we help him? Quite frankly, we cannot make Israel angry now."

I told him, "All right. What do you think about setting up a committee that would not include Israelis and Palestinians but would include Egypt, Jordan and the United States? That committee would make plans for peace, and it would also make plans on who would recognize whom, how such recognition would be made and other such matters."

McFarlane replied, "That's a good idea. Let me consult with Secretary of State Shultz, and you can ask President Mubarak if he approves of the idea."

It so happened that I was with President Mubarak when McFarlane called to tell me, "Don't bring up the subject that we discussed because Shultz does not approve."

I told him, "It's too late; it has been brought up already. I am with President Mubarak now. Here, you can talk with the president."

President Mubarak's reaction to the idea was positive. Then McFarlane asked if he could talk with me. He told me, "Please come over so we can talk." When I went to see McFarlane he told me, "Shultz believes that Israel will be very upset by this suggestion." I told him, "What if I were to get you Israel's approval?" McFarlane said, "That would be another story."

Then I called Peres and told him what happened. I told him, "We want you to prove to President Mubarak that Israel is serious about wanting peace. Otherwise, he will end the agreement he has with you."

Peres said, "One of our principles is not to leave the Americans and the Arabs alone." I told him, "Don't do this for me. Personal favors have nothing to do with politics. Do it for the interests of your country. Do it if you really want peace. Otherwise, the consequences will be very bad." Peres said, "Give me 2 hours." Peres then called me 2 hours later and told me "OK" provided that the committee not deal with the heart of the peace process and that it confine itself exclusively to making preparations for peace. Peres said, "I will ask Kimche, secretary of Israel's Ministry of Foreign Affairs, to inform McFarlane of our approval."

I called McFarlane immediately and I told him, "David Kimche will call you to tell you that Israel approves." He said, "This can't be! It's impossible." He

used the word, impossible. Then I went to Mubarak and told him what happened, and he was pleased.

But the whole thing fell through because of Jordan's position. It turned out that there had been no coordination between Cairo and Amman on that matter.

This material is confidential; it is not for publication. I had not considered talking about this matter, but I did want to show you how an Arab can intervene to help an Arab president solve an unexpected regional problem. What the United States was unable to get from Israel, I managed to get from Peres in 2 hours.

A Cable for al-Sadat

[Question] In his book, "Khashoqji, the Richest Man in the World," (Roland Clark) says that the plan you proposed was based on the establishment of a superficial peace only. Israel was to be paid several million dollars to agree that an Arab flag be flown over a mosque in Jerusalem. He says that Begin's answer to that was: "All your money could not accomplish that."

[Answer] When al-Sadat went to Jerusalem, Begin was an autocrat there. I cautioned al-Sadat, and I told him, "Nothing will be accomplished soon without Jerusalem and unless something is done for Jerusalem. As soon as you arrive in Jerusalem, Israel should fly the Arab League's flag, for example, or any other Arab symbol." Can you see how what I said has been distorted?

Afterwards, al-Sadat went to Camp David. But did you know that the story behind Arab objection to Camp David was the reason why that agreement was signed?

A historic mistake. Before the Camp David meeting I had gone to a senior Arab official (Mr Khashoqji named that official.) to give him a message from al-Sadat, who wanted the Arabs to understand his position. I came back with an answer for al-Sadat which signified that things would depend on the results. It would be best to avoid embarrassment at this stage. What was important was success at the summit. It would be possible after that to announce the Arab position at a press conference. The senior Arab official gave al-Sadat his blessings in case he succeeded in his efforts to liberate territory from Israel. Al-Sadat agreed with the idea, and later, I did actually show him a copy of the statement [that was to be released at the press conference] before its release, and he was pleased.

While the meetings at Camp David were underway, an Arab statement stating that Egypt was an independent Arab country and that it was free to do what it wished was issued. But the statement also said that the Arab world would not be bound by what Egypt did. That proper position which was based on principle was distorted when it was relayed to al-Sadat at the meetings in Camp David. The distorted cable that was delivered to al-Sadat dealt with the Arab position opposing Egypt. Al-Sadat nervously folded the paper that contained the telegram, and he crumpled it into a ball. He was invigorated and overcome by visions of his own grandeur as he sat with Carter under the lights of television cameras and the international press. Then he went into the meeting and said in a challenging tone of voice, "I am ready to sign." He wanted to sign anything

after Arab opposition had become evident. Al-Sadat was overcome by a feeling of arrogance. He wanted to sign the agreement to prove that he was strong and independent.

[Question] Former CIA official Kermit Roosevelt, who is also one of the biggest promoters of the weapons industry in the world and a senior official in the Northrop Corporation which manufactures weapons, says that you had asked him for large amounts of money to pay bribes to a few Arab officials. Then it turned out, as he says, that you wanted this money for yourself. What do you have to say about that?

[Answer] That is nonsense. Roosevelt was an adviser for Northrop when I was representing the company. An agreement was made behind my back with an Arab general (Mr Khashoqji named the general.) to give him 400,000 dollars. Then the director of the company came to me with two checks, each for 200,000 dollars. I was truly stunned because something like that would have been interpreted in many different ways. And as usual, they distorted the truth and painted the picture that you mentioned in your question.

[Question] In February 1984 you met with CIA Chief William Casey on your yacht, the Nabilah on the French Riviera. Did that meeting have anything to do with the secret weapons deals to Iran?

[Answer] First of all, Casey has never been on the yacht, nor has he ever seen it. I have known Casey since the days of Nixon. I saw him in London several times before he became CIA chief and after Nixon's downfall and the downfall of U.S. intelligence. It was not useful to deal with him. Nothing in the Iran case was discussed with the intelligence agency. All discussions were with the White House.

[Question] U.S. businessman Rudy (Vermack) testified to a congressional committee that you had involved a few Canadian businessmen in the arms deal to Iran and that you had not paid them anything yet.

[Answer] The Canadians have nothing to do with this case. I have a Canadian employee, and we wanted to borrow 10 million dollars from the bank. The Canadians have nothing to do with this.

[Question] What is your relationship with some men in the military, like Maj Richard Secord, former CIA informant Theodore Shackley, and the Iranian intelligence official, Albert Hakim?

[Answer] I don't know Maj Secord and Theodore Shackley. I don't know Albert Hakim either. McFarlane is the only one I know in this case. My relationships in this case were not on the levels that you mentioned. I dealt only with the White House and with White House officials. All the rest is newspaper talk.

## Are You Bankrupt?

[Question] The news that is being published about you in the West states that you are having severe financial difficulties and that you resorted to the Iran weapons deal to cover part of that deficit.

[Answer] The Iran weapons deal did not bring in any money. The opposite is true. I paid 10 million dollars which have not been paid back to me yet. And I don't care if they are paid back or not because what is more important to me and what concerns me as an Arab is to keep our region from falling into the abyss that has been prepared for it to deplete its resources and destroy its security for the next 50 years. That is what's important. The loss of a trivial amount of money, such as that which you mentioned, to a wealthy, informed Arab is not important if he can ward off an evil and extinguish the flames of danger which are growing every hour in the skies of the Arabian Gulf.

[Question] You did not answer the first part of the question. Are you having financial difficulties?

[Answer] How did this rumor get started? The proverb says, "There is no smoke without fire." We invested in a large project in Salt Lake City. We took an area that is close to the airport to build on it a small assembly and shipping plant for products coming from Japan. Everything was going quite well, and we were making a profit. We expanded, and we built a complete small community inside the city.

As you know, it is possible to deposit 800 million dollars in a U.S. bank and borrow twice that much against that money. Everything was going well. Land prices rose and production was good. But as destiny would have it, a lake in Utah overflowed its banks because of the rainfall, and a copper plant was flooded. Land prices fell after that and people were frightened. That had an effect on us. One third of the real estate we own became vacant when people left. And the value of the real estate itself fell. The banks which had extended loans to us for this property were asking us to pay back on the loans.

We did not put up personal collateral for our investments in the United States. All our collateral is in real estate. This means that the most we could lose would be the amount of money that we invested in the real estate. It is self-evident that we took this into account so that we would not lose. The furor rose after that, and we stopped construction on a high-rise tower we were building. A story to that effect came out in a British newspaper. After that Tiny Roland, a former resident of Rhodesia, the Harolds syndicate, and Muhammad Fayid, etc. pulled out. The president of the first company, which is a British company, wanted to take advantage of my relationship with the Sultan of Brunei, but I refused, and he got angry. But that is another story. Our commercial business did not end yet.

Let's go back to the subject. When construction on that project stopped, the banks we do business with were shaken. Naturally, they said that if such a huge project goes under, then Khashoqqi must be history. But it is our policy to set up a holding company in every region. That company would have exclusive jurisdiction over that region, and it would have no relationship whatsoever with the



other companies. There is one such company in the United States; there is one in the Middle East; and there are others in other regions.

[Question] In other words, your policy is one of anticipating danger.

[Answer] Yes. Even if one region or one company were to go under, other companies would remain intact and would not be affected. As I said on American television, we take off and travel on our private airplanes; we pay our bills; and no one has filed lawsuits against us. Why should anyone care whether we are bankrupt or not? If the intent of all this is to make us say how much we have, we won't do that. Thank God, we have enough and that's all. If you were to ask the bank in Switzerland about my condition, you would be told, "His condition is good; he pays his debts; and that's enough."

Don't forget that this crisis in the United States coincided with the well-known financial decline in the Middle East. In addition, there were deals we had made between Egypt and Spain, and the Egyptians did not pay their debts. Several projects went sour at the same time, and that is how that rumor spread.

#### Numayri's Story

[Question] Information published in Sudan indicated that your deals with Sudan's deposed President Numayri involved millions of dollars. The information states that these deals were made at the expense of the Sudanese people. What is the truth about your partnership with former President Numayri?

[Answer] Everything we predicted would happen in Sudan did happen. I went to Sudan in 1972. Numayri wanted me to invest in a cement factory there. I studied conditions there. Sudan is a vast country, but it has no infrastructures: no roads, no communications and no ports. It would be risky to implement any project in that country without studying it first. For example, if one wanted to cultivate tomatoes in Sudan for export to Saudi Arabia, a study of such a project would show that, by comparison, tomatoes from Rome would be cheaper than tomatoes from Sudan, which would have to be shipped on land to a port of export or shipped by air.

In view of that fact I told Numayri, "You have to befriend a wealthy country. You cannot follow 'Abd-al-Nasir's style because Sudan is a poor country and Egypt has its own special position. If Egypt lost 'Abd-al-Nasir, it will not be able to find someone like him who could manage to feed people with empty talk."

Numayri asked me, "What are we to do then?"

I told him, "Saudi Arabia is the only country you can turn to. There are only 75 kilometers between you and Saudi Arabia, the distance between Port Sudan and Jeddah. That distance is more like a bridge than a barrier."

Numayri was not well liked in Saudi Arabia. This story I will tell you will show you how I think and what my mental attitude is like. It will show you how I link politics and trade. To the late King Faysal Jerusalem was his most cherished dream. He had hoped to pay in Jerusalem before he died.

I told Numayri that he could undertake a mission with African leaders, particularly Christian, African leaders. I told him he could bring those leaders together and create for himself a political role around saving Jerusalem.

Numayri asked me, "How do I do that?"

I told him, "The Pope. The Vatican has not played its role yet. The Jews want to get to the Pope bit by bit. Africa's Christian leaders have their influence, and the Church takes them into account."

Numayri told me, "The man who likes me is Haile Selassie, Ethiopia's former emperor. He treats me like his son." At that time Haile Selassie had recognized Israel. I said that winning Haile Selassie over to our side would be a great deal.

I told Numayri, "Get in touch with Haile Selassie and make arrangements for an appointment with him."

Numayri said, "No. It isn't necessary to make an appointment with him. Isn't your airplane with you? We can go see him tomorrow morning without an appointment."

At 8 a.m. on the following day we were at the airport, and we flew to Ethiopia. It's known that my airplane, which is registered in the United States, carries the American flag. When Haile Selassie was informed that Numayri was on his way to Addis Ababa on an American airplane, he thought there had been a coup in Khartoum and that the Americans were smuggling Numayri to Ethiopia. (Mr Khashoqji laughed.) At the airport in Ethiopia Haile Selassie was at a loss: he didn't know whether to greet Numayri at the airplane, as he would greet a head of state, or in the visitors' reception hall, as a former president!

Anyway, we were Haile Selassie's guests for lunch, and he found out the truth. We talked about the mission that had brought us to Ethiopia, and Haile Selassie spoke about his problems and about the famine. It is known that the Israelis offer no aid. They take everything in sight for themselves. They used to fool the emperor, leading him to believe that they were providing him with protection and security. And that was all the emperor was interested in. To him the Israelis were specialists in security matters.

As I listened to Haile Selassie, I gave careful consideration to what he was saying and I tried to discover what the man's weak points were. I suggested to Numayri that he inform Haile Selassie that considerable assistance for Ethiopia could be obtained from Saudi Arabia with Numayri's mediation. "In return, the emperor would have to help you strengthen your position in Saudi Arabia. You would get aid from Saudi Arabia, and you would give it to Ethiopia." In return, the emperor would bring together all the Christians on the African continent and request an appointment with the Pope. He would then receive the Pope's blessing and word that Jerusalem would not become an Israeli city. I believed that if the Pope were to agree on just the principle of Jerusalem being an international city, such a declaration would be a positive element in a transitional stage. King Faisal, of course, wanted Jerusalem to be an Arab city. But would it hurt to have half the deal we want in the interim?

Haile Selassie agreed to write a letter to the Pope to that effect, and Numayri was satisfied with that. Then I told Numayri, "If this is going to be done by correspondence, we will not have the result we want before next year, God willing. Let him call the Pope on the phone now."

Haile Selassie asked the prime minister to call the Vatican's minister of foreign affairs and to tell him that the emperor and Christian African leaders wanted an audience with the Pope on a matter that was private and confidential. The Pope actually showed his willingness to receive them in 1 week. We were rushing matters, but the Pope seemed to be even more eager to find out what was really going on.

#### Politics and Loans

I told Numayri, "We go from here directly to Saudi Arabia." He said, "Why?" I told him, "You now have the greatest victory. You have an appointment with the Pope, and Christians in Africa are going with you to see him." Numayri agreed to go to Saudi Arabia, but he was apprehensive about meeting with King Faysal. We informed authorities in Saudi Arabia that Numayri would be arriving to meet with King Faysal in Riyadh. The king actually greeted Numayri at the airport. They talked; the king listened to what had happened; and he expressed satisfaction with what he heard. After Numayri's departure King Faysal expressed his appreciation for Numayri's efforts. He said that Numayri's intentions were good and he wanted to be of service. Of course, Numayri did not ask for any aid.

We boarded the airplane and flew to Khartoum. One week later we went to see the Pope. And then, my dear man, the well-known statement was issued. I was there, and I have pictures commemorating our visit to the Vatican: pictures with the Pope, with Numayri and with the African leaders. What matters is that the well-known statement about Jerusalem being an international city was issued. The Jews were furious: they made accusations against Haile Selassie, and they broke relations with him. An official invitation was extended to Haile Selassie to visit Saudi Arabia, and he received 100 million dollars in aid. King Faisal was extremely generous with him. By then we were already in 1973.

As far as Numayri was concerned, we wrote a letter suggesting that instead of giving Sudan direct loans, Saudi Arabia could guarantee a 200 million dollar loan to Sudan. The intent was to help Sudan establish an international relationship with world banks. Sudan is rich in its resources. To avoid waste and exploitation, we thought that the loan should be extended to an organization which would be established for that purpose. That organization would be called, for example, Sudan's National Organization for Development, or something like that. It would be subjected to the scrutiny of auditors and to all known and agreed upon principles.

And even now if you were to ask in Sudan, you would know that this organization is successful and that it has a budget. It funds all small projects in the country. What matters is that 34 banks contributed to the loan, and the 200 million dollar loan was covered by 1 billion dollars. Banks which wanted to contribute 100 or 50 million dollars got to contribute only 1 or 2 million.

That loan created an international outcry. How was Sudan able to borrow money from 34 international banks? Of course that was done with the Saudi financial establishment guaranteeing the loan. But that fact was known only to the banks and not to the public. I set things in motion and accomplished the task. We proposed several projects, such as the sugar project and others, and we went ahead with them. Then we took land, 1 million feddans, and we conducted studies on it. We were then confronted with the same fact: there were no infrastructures in the country. I advised Numayri to befriend the people of the Gulf and to ask for their assistance in that regard.

### The Beginning of the Dispute

But Numayri was like some leaders who act capriciously. Our first dispute happened when 50 million dollars were needed for Sudan's treasury. He asked the Development Organization for that sum, and I told him, "No. If you touch the 200 million dollars before you pay your debts, I will leave Sudan and I will never come back because your conduct would mean that you will be destroying everything we have accomplished. You will also be destroying everything we intend to accomplish." By then, we had worked together for 3 years, until 1976.

I actually left him and left Sudan, but I returned after Numayri turned into a religious extremist and issued his well-known laws. I visited Sudan after a meeting I had with Gen Walters who was then a security adviser in the White House. Gen Walters told me, "Go to Numayri. We know you are his friend. Find out what the story is. It seems that he's gone mad."

I told Gen Walters, "One may not say that a person who applies the canonical law of Islam is a person who has gone mad. We apply the canonical laws of Islam in Saudi Arabia."

Gen Walters said, "Numayri's situation is different. In Sudan, one fourth of the population are Christian. The church here in the United States is putting pressure on us."

As you know, there are 50 million Catholics in the United States. The Jews have their schemes, but it is the Catholics who actually dominate.

Anyway, I went to Numayri and I told him what the situation was. I found his condition distressing. He had borrowed more than 8 billion dollars. Oil and trade conditions in Sudan were unstable. In my opinion, this was a miserable man. I do not believe that he was a thief as people say. He was just a man who fancied government and power and who also dreamed. He fell under the influence of the Muslim Brothers and he was afraid of the Islamic tide after seeing what happened in Iran. He believed that he could ride that wave before it engulfed him.

I told Numayri, "I am not here this time in my personal capacity. I am here this time as an American representative. (Mr Khashoqji laughed.) The Americans are concerned about what is happening because they are afraid for you, and they are afraid of the pressure which the church is putting on them. That pressure is forcing them to conspire against you."



Numayri asked me, "And what can I do now? I can't go back."

I told him, "There is nothing wrong with the canonical laws of Islam, but the laws you've enacted are flawed. Reduce the intervention of other elements, and let's salvage what can be salvaged in Sudan's economy."

We studied the situation, and we stopped at the subject of oil. I said, "We will evaluate the government's oil assets with you, and we will find out how much they are worth. Then we will form a partnership with you and establish a national company. We will invest in that area, and we will build a refinery near the oil wells. You can use this oil which you have here instead of buying oil from abroad for 500 million dollars. Then we will lay pipes and so on.

We agreed. But south Sudan became a stumbling block. This was a game that churches in the United States were playing. What matters is that Numayri agreed to reduce the severity with which the laws he had enacted were being enforced. He removed some of the advisers and so on. These measures satisfied some officials in the United States, and an official invitation was extended to Numayri to visit Washington.

At that time the information that was available to me indicated that there was general dissatisfaction with Numayri even in his own circles. I was told that there was an intention to get rid of him and that the person who wanted to get rid of him was al-Tayyib, his vice president, 'Umar Muhammad al-Tayyib.

I told Numayri, "It is my opinion that you should not go to Washington until what we asked the United States to do is done. Let me work behind the scenes. That would be better than your going there and coming back empty-handed." He agreed. But Numayri is the kind of man who listens and is influenced by the last opinion he hears. That may be why he boarded the airplane and went to Washington. He invited me to meet him there.

At that time I was working on getting Sudan out of its economic plight. The idea was to mortgage Sudan's cotton to pay back the international banks and thereby strengthen Sudan's international credibility. But Numayri did not know how to be patient. I told him, "The information I have indicates that American companies want to be sure that whoever will succeed you will be willing to work with them.

"Don't underestimate these companies. They have their own information networks which are not connected to official intelligence networks. They have their own ways and means: cooks, waiters and domestics who serve breakfast in the morning. < These companies want to protect their interests and investments in Sudan. They have investments amounting to about 1 billion dollars.

Numayri told me, "No, no. Nothing will happen."

Numayri left the United States on his way back to Sudan. But there were demonstrations in his country, and he landed in Cairo where he stayed. What many people don't know is that it was al-Tayyib who carried out the coup.

[Question] Many charges were made during the trials that were held in Sudan, and your name was mentioned repeatedly. What role did you play with Numayri in the immigration of Ethiopia's Falasha Jews to Israel?

[Answer] As far as the Falashas are concerned, I went to Yasir 'Arafat, who is well-known for his relations and influence in Sudan. I told him, "You now have all of Numayri's files in your possession. If I had anything to do with this matter, then I will only leave here as a dead man." 'Arafat replied, "Not at all. I read all the files. There is nothing in them to implicate you." I told him, "Then it is the PLO's duty to clear my name and stop this newspaper talk." He did promise me that he will notify the PLO, and you can ask the PLO about that.

[Question] But the PLO has issued no statement to that effect.

[Answer] It issued no statements against me or for me.

(End of interview)

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PRESIDENT OF SHURA COUNCIL INTERVIEWED

Kuwait AL-WATAN in Arabic 4 Feb 87 p 12

[Interview with 'Ali Lutfi, president of the Egyptian Shura Council, by 'Isam al-Jamal: "I Predict an Improvement in Arab-Egyptian Relations"; Cairo, date not given]

[Text] In an interview with AL-WATAN, former Prime Minister 'Ali Lutfi of Egypt made it clear that Egypt is experiencing the conditions and problems of the Arab world and will not rest until a just peace descends upon the region. He indicated that if the resources the Arab states enjoy were exploited in a studied way, it would be possible to realize joint national goals; however, in the absence of Arab coordination, we have become like a chained giant in the eyes of the world.

He pointed out the reforms that have been carried out to encourage private capital investment, the financial easements for Arab investors, and the measures that have been taken to ease urban population congestion by constructing new communities. He also said that recent economic measures have moved the country from the age of the consumer-oriented open-door policy to the age of the production-oriented open-door policy, with the participation of the private sector.

He made it clear that Egypt is experiencing true democracy and that the people will never give it up. This can be traced to the government's understanding and to the level of debates that take place in the Shura Council and People's Assembly.

Concerning Arab-Egyptian relations, he said that they are relations of brotherhood, not to be measured by the passions and clouds of the political dispute. The basic fact is that we are one entity and one destiny. Collective action is essential.

What follows is the text of the interview:

[Question] After you became prime minister, how did you picture what had to be accomplished? What is your description of this position for any prime minister in the Arab world? How did you see Egypt, the world, and Arab political activity? If you held this office again for a week under the

present circumstances, what would be the most important decisions you would make during 7 days?

[Answer] My conception of what had to be accomplished came after my picture of the circumstances we were living through became complete. I will not hide from you the fact that I was aware of much of the picture and was living with it as set forth before me in studies, articles, and opinions while I held my previous positions as minister of finance, president of the managing board of one of the banks, and chairman of the economic committee of the NDP, in addition to my basic job as a university professor.

Based on the full picture of events that I had with the participation of my fellow ministers and the party apparatus, and based on the definition of the goals and the policy necessary for their achievement--based on all this, what had to be achieved after I became prime minister was connected in my mind with three principal elements: 1) defining priorities for the goals desired to be achieved; 2) the timing necessary for achieving the goal; 3) working with a team spirit. Given the intricacy of the challenges we face, effective achievement can take place only with collective action. It is my full conviction that one hand cannot clap.

The prime minister's basic function is to control the activity and performance of the ministers. I should mention that in the first statement I gave, in September 1985, I made it clear that I was chairman of the Ministerial Council, not prime minister--meaning that each minister had absolute freedom in the manner of executing the policies agreed upon in the council. I also said that many goals that needed to be achieved were marked by intricacy. For example, if we suppose there is an industrial project requiring the importation of production necessities, the matter requires the Ministry of Industry to become involved in the domain of the Ministry of Economy, which has its own opinion about providing foreign exchange for importation. This is where the role of the prime minister and council comes in to define priorities and coordinate the work of different ministries.

As for my vision of Egypt from my position, it was that Egypt was experiencing the problems of the Arab world, especially the national ones, as being her fate and destiny. We shall not rest until there is a just and complete peace that leads to prosperity and stability.

I saw Egypt as rich in the variety of its economic resources, when these can be exploited. However, our national economy has been exhausted by years of war during which all components of the basic economic structure were neglected for the sake of war or readiness for it. Nevertheless, its varied economy in the field of agriculture and industry, sources of energy, individual capital, abundant work force and technical cadres, makes me confident about the achievement of progress and prosperity.

#### My Vision of the World

As for my vision of the world from my position: People appreciate Egypt's regional and strategic position and understand that a stable Egypt is the



point of departure for the stability of the region. They are ready to cooperate with us economically.

I saw that the nonaligned states, the Islamic bloc, and the OAU looked upon Egypt as a founding member of these groupings; its presence sustained their effectiveness and was a factor making for balance against any currents that might irrevocably carry away any grouping.

As for my vision of the reality of Arab political activity: Unfortunately, despite the availability in the region of all the enormous potentials through which all desired national goals might be achieved, these potentials have no influence due to the absence of Arab coordination and of rising to the level of the challenges. In the eyes of the world, the Arabs have come to look like a giant, but one with his hands tied.

As for your question about what would happen were I to hold the office of prime minister under current circumstances for 7 days, I wish to make it clear that the ministries that succeed each other in Egypt complement each other. Thus, the ministry of my brother and friend 'Atif Sidqi is completing the task I began, whether in carrying out the program of economic reform, or in removing all restrictions and obstacles to vigorous participation by the Egyptian, Arab, and foreign private sectors in various development projects marked by an enormous return for the national economy and for investors as well.

#### Between Decisionmaking and Guaranteeing Implementation

[Question] Those wishing to take advantage of the government regulations notice that the decision that is broadcast and published is excellent. But then they turn to the reality and find that the decision has had no effect. What is your comment on this phenomenon?

[Answer] The implementation of any goal has two stages: the decisionmaking stage, and the implementation stage.

Whatever the importance of the decision and of the authority that stands behind its issuance, it can be afflicted with paralysis when it enters the implementation stage, i.e., when it reaches the bodies responsible for converting it into action. This is a universal phenomenon that finds expression in the complexity of bureaucratic measures. It can be traced to many causes, including the multiplication of laws and specialized bodies, the piling up of positions, and the weakness of the administrative system, etc.

Of course, one cannot overcome this worsening problem between one day and the next. For example, this led me, when it was decided to take measures to encourage private investments in the new communities to overcome population crowding in the major cities and to open new horizons for development--I decided at the same time to set up an industrial license office whose administration would make quick decisions, so that any project might be approved by it within a maximum of 1 week. As a result, by last September this office approved 695 new projects, more than 200 of which have entered the implementation stage.

## Private Sector

[Question] You are said to have been harsh with businessmen and the private sector when you were minister of finance. The opposition, however, thought that you dealt with them in a very friendly way after you assumed the office of prime minister and that they nevertheless did not support the economic situation, which was your first concern, in spite of your imploring them to do so. What is your comment?

[Answer] I would like to make my constant position clear: The private sector, whether national, Arab, or foreign, has its far-reaching role in development operations in Egypt; hence my encouragement of it and desire to provide the circumstances that will help it perform its role.

That I never took a harsh position toward the private sector was reflected in the fact that when I assumed the prime ministership I embarked upon a number of measures to encourage the sector, as I have indicated: establishing the Office of Industrial Licenses, developing the activity of the Investment Authority, simplifying export procedures, exempting investors in new communities from taxes for 10 years from the initial date of production and granting them major easements for importing the materials required for their projects. I do not think that the private sector did not support me. In fact, there was interest in investment. This will increase continually, especially since in the next 5-year plan, starting from this July, it has been decided that the private sector will have a 50 percent share in investments under the plan.

## A Stage of Unknown Nature!

[Question] Allow us a frank question. The economic decisions of a former economy minister caused the private sector to take its money out of Egypt, and the country moved from a stage of open-door policy to a stage of unknown nature. Was this the reason for the lack of response by private-sector businessmen to your repeated appeals and to the easements granted to them?

[Answer] To be frank also: The decisions you referred to had a negative effect. I admit it. However, it did not last long, because they were withdrawn. We must therefore not exaggerate what is being said about the private sector's taking its money out of Egypt. On the contrary, I feel very confident about its readiness to invest in various projects, as long as the necessary easements without bureaucratic complications are available.

Another point with importance in this area: If the private sector has not yet shown sufficient interest in investment, this goes back basically to the fact that during the seventies it became accustomed to investing in consumer-oriented open-door policy projects characterized by rapid capital turnover and by a quick return no longer available now because we have moved into a stage of production-oriented open-door policy. It takes some time for the private sector to come in with confidence. We understand this and will work with it on that basis.

A final point remains: the stability of a production-based economy. This is something irreversible. It receives support from all sectors, and this is something to inspire confidence.

#### Effectiveness of the NDP

[Question] Given the existence of the opposition, do you not think it has become necessary to improve the NDP's style of contact with the public by means of more capable members?

[Answer] We must not lose sight of two facts when we discuss the extent to which the NDP or the parties of the opposition are effective:

--First, the educational level and percentage of illiteracy at the level of the republic;

--Second, the fact that the democratic experiment, including the multiple-party system, is still in its infancy and thus requires time to become established in consciousness and style. Democracy grows through popular perception; it does not come by decision of the authorities.

Based on the facts, I say that the NDP has accomplished a great deal, as indicated by popular understanding of the dimensions of the challenges we face. This can be attributed to various base-level party debates and to the style of candor followed by the government. Another indication of this is that the public closely follows current political issues, such as the debate over the law to regulate elections. I think this contact will take root and increase in depth the more the objective activity of the opposition increases, until the give-and-take of opinion becomes the basic source of consciousness formation and participation.

#### Egyptian-Arab Relations

[Question] On the basis of your direct involvement with these nations during your tenure as prime minister, what can you say about Egyptian-Arab relations?

[Answer] I can say that they are firm, brotherly relations not to be measured by the clouds of a passing political difference or by quickly dissipated emotions of anger. The basic fact is that we are one entity and one destiny. A lasting formula needs to be created for our collective movement. I therefore expect Egyptian-Arab relations to increase in coordination and effectiveness during the coming period, so as to take in all areas, whether having to do with the problems of security and a just peace or with bilateral cooperation.

#### Role of the Shura Council

[Question] The Shura Council is considered the highest body in the Egyptian government structure. What do you think about its taking up its legislative role, and what kind of relation do you envision between the People's Assembly and the Shura Council?

[Answer] The role of the Shura Council is to deepen the democratic experiment. This comes through its legislative role. Any legislation, whether having to do with the constitution or with current internal or external problems, must be presented to the council for debate and approval. This is a matter of great significance for the nature of the composition of the council. Among its members it has experts in many areas, which gives the debate depth and objectivity. This is reflected in clarity of vision on the part of the public, which follows because of the council's supervision of the national press. This supervision does not mean guardianship or censorship. Rather, it means providing the political, organizational, and technical circumstances that enable the press to play its active part in throwing light on public opinion and concerns and in deepening awareness of the dimensions of national problems.

As for what is being said about the Shura Council's still lacking its role in overseeing the executive authority, I want to make clear that the council has never put forward an opinion that the executive authority has not accepted. Thus, there is a high degree of understanding between this authority and the Shura Council.

You need only realize that I was a member of the Shura Council when I took over the prime ministership. 'Atif Sidqi, the current prime minister, was also chairman of the council's economic committee before taking up his current office. It is therefore no surprise that he makes a point of attending many of the council's debates, so as to be fully informed about what concerns the public.

If one has in view the council's supervisory role, there will be nothing to prevent the realization of it. The matter, that is, is open and has not been rejected. The important thing is that you should be completely convinced of its vitality and importance.

About the relation between the Shura Council and the People's Assembly, the two complement each other as the highest two legislative authorities. For example, before the new election law was introduced in the People's Assembly, the Shura Council was first in debating it and issuing recommendations that had a great effect on the decision of the People's Assembly on this law.

#### The Egyptian Press

[Question] There is dissatisfaction with the Egyptian press in its current situation. Some think the new generation is not seizing its opportunity, that the spirit of performance is marked by indifference, that the role of the union is limited, and that the journalists who have been chosen as members in the Shura Council do not represent all tendencies and ages. What is your opinion?

[Answer] I differ with you about what you have asserted. I wish you could be present with me at the yearly gathering held by the journalists' union in September of every year to distribute prizes won by young writers for their works during the year, whether in the shape of articles, reports, cartoons, or investigations. If you did, you would realize for yourself that there are up-



and-coming writers on the way to occupying prominent positions in the journalistic field. There is no doubt that the atmosphere of freedom Egypt is experiencing is providing opportunities for free writing, with the resultant appearance of new and serious writing talents. Let us look, for example, at the debate about the new election law. In spite of the presence of the majority in the national press, that did not prevent some from criticizing it. I repeat that if this is happening in the national press, what do you suppose happens in the opposition press? Doesn't this atmosphere allow it to spotlight people who will prove its seriousness and objectivity?

In addition, the journalism law sets the retirement age for management positions, including chairman of the managing board, at 60. Once again, doesn't that provide an opportunity for a new generation to get its foot on the journalistic ladder, even to reach the position of chairman of the managing board or editor-in-chief of any newspaper.

If you take a look at the chief editors, managers, and secretaries, you will see that most of them are middle-aged, with large opportunities for service before them. As for what you pointed out about the limitedness of the role of the journalists' union, I differ once again with you. It is a well-known fact that it is one of the most powerful unions in terms of influence and impact and in protecting its members.

I differ with you yet a third time about the idea that the journalists chosen for the Shura Council do not represent all directions and [ages]. A glance at the composition of the council will make it clear that it does represent all directions and ages. I will indicate a few members here: the president of the Shura Council, the chairmen of the managing boards of the national newspaper organizations, the editors-in-chief of the national newspapers, the editors-in-chief of the party newspapers, the chairman of the journalists' union, etc. Finally, I would like to make it clear that my agenda, when I was prime minister, began early in the morning with a reading of all the newspapers, with all the opinions and complaints put forward in them. These matters used to be decided immediately, and what was being done in these areas would be published. This came from my conviction that the press is an effective conductor of the pulse of the public. I am sure that Sidqi's ministry is following the same course.

#### The Peg of the Palestinian Problem

[Question] About the sincere desire of Arab governments to implement democracy and the stumbling of the efforts toward it, to what extent is this to be traced to the strains of the Palestinian problem, the desire of the imperialistic [Western] world for the preservation of totalitarian systems of government, or to the fact that we are developing nations unable to deal with democracy?

[Answer] I do not wish to go into details of this subject, because the answers to it are well known through the policies that are being carried out in the area. All I can say is that if the sincere desire were present, as you indicated in your question, the experiments in democracy would not have been frozen. In addition, democracy is the best guarantee of a government's stability and of the people's cooperation with it. We must not hang it on the "peg" of the Palestinian problem or the West. Rather, it is a matter for which certain leaders of the region are responsible.

EGYPT

SHAYKH AL-AZHAR INTERVIEWED

Cairo AKHIR SA'AH in Arabic 28 Jan 87 p 9

[Interview with al-Shaykh Jad al-Haqq 'Ali Jadd al-Haqq, Shaykh al-Azhar, by Hasan 'Allam: "An Appeal from Shaykh al-Azhar to the Islamic Summit Conference: 'Summit Resolutions Must Be Protected; Terrorism Is not Sanctioned by Religion and Continued Terrorism Serves the Enemies of Islam; Human Rights Are Guaranteed in Islam and We Must Adhere to Them';" date and place of interview not specified]

[Text] What does the shaykh of al-Azhar, Islam's most important personality, think is the significance of having the kings and heads of state of 46 Islamic countries meet in the largest Islamic gathering to discuss numerous and urgent issues? What does this great imam have to say about this rabid war which is being fought between two Islamic countries? This war is clouding the skies over the Islamic Summit Conference now. How does he explain Iran's rejection of mediation efforts which were made by the Islamic Conference Organization to stop this bloodshed which is now in its seventh year? What does Islam have to say about the waves of terrorism which are sweeping the Islamic region?

His Eminence Imam al-Shaykh Jad al-Haqq 'Ali Jadd al-Haqq, shaykh of al-Azhar, answered all these questions that were put to him by AKHIR SA'AH. He explained the Islamic world's most important problems and hot issues, and he talked about their proposed solutions. He also dealt with a document on human rights in Islam before it was placed on the agenda of the Fifth Islamic Summit Conference.

[Question] What is the meaning and significance of having the kings and heads of state of 46 Islamic countries meet together in one place?

[Answer] The fact that such a large number of kings and heads of state of Islamic countries are attending this Islamic conference is itself a momentous event. It indicates, first, that Muslims are an entity in this world, and they have to preserve that. The people of the Islamic nation have their eyes and minds turned to this conference; they are watching the kings and heads of state who are attending it. They are waiting for the outcome of their deliberations and resolutions, and I'm not saying their recommendations. History will look at them and judge them. God knows and understands. Those kings and heads of state will be asked about the trust that was bestowed upon them when they ruled this nation, and they will have to explain what efforts they made on its behalf.

I am telling the Islamic peoples that what is happening in the Islamic world is not in their interests. I am telling the Islamic Conference Organization that it has to assume its responsibility in unifying the members' ranks and removing differences between them. The organization has to do something to make everyone speak with one voice and end the ongoing wars between some Islamic countries. These wars are wasting money and lives, and they are being fought over tangential issues and disputes that have prevailed over the Muslims' original issues. No one mentions Palestine, Jerusalem, and the captive al-Aqsa Mosque which is being attacked every hour at all times. No one mentions Afghanistan. Nor does anyone mention Lebanon and the tragedies and problems that are going on there. The imams' war, which is being fought between two Muslim, neighboring countries without any rational or legitimate reason is prevailing over all of that.

I have a sense of the enormous responsibility that has been placed on the shoulders of those rulers at that conference. They have to face these problems deliberately and resolutely. Members of that conference must rise above their differences and disputes, and they have to try to overcome these issues so they can reach realistic solutions for them and unite the ranks of Muslims who are being pulled apart by people around them.

[Question] It is regrettable, however, that the principles stipulated in the charter of the Islamic Conference Organization were violated more than once. We do not forget the fire at al-Aqsa Mosque which clouded the skies over the first Islamic Summit in Rabat. And now the Fifth Islamic Summit is being convened, and the Gulf war is at its peak. How can the resolutions of the Islamic Summit be honored in the future and how can all Islamic countries abide by them?

[Answer] I believe that honoring summit resolutions and the Islamic Summit's ability to make resolutions depend basically on the unity with which the leaders speak in their deliberations. This is what I am calling for. Any resolutions that are taken and are not protected by that conference are merely ink on paper. When the conference issues a resolution to solve a particular problem, it must show how that solution can be reached. Following up on resolutions, therefore, is a must.

#### Dangers of the Gulf War

[Question] Do you believe that the ongoing war in the Gulf between Iraq and Iran, now that it is in its 7th year, is threatening the security of the entire Islamic world?

[Answer] This war has undoubtedly created many cracks in the Islamic world. If it continues, it will cause other wars between Muslims to break out. In fact, it may even drag the whole world into a disaster.

[Question] How do you explain Iran's rejection of the mediation efforts which were made by the Islamic Conference Organization to help stop the bloodshed caused by this war?

[Answer] The Iranians have always said publicly that they want to overthrow the Iraqi regime. I believe that such a goal is not legitimate. The international community does not sanction efforts made by one regime to overthrow another simply because it wants to.

God has showed us, Muslims, the way to overcome conflicts that we may have between us. God Almighty said, "If two parties of believers take up arms the one against the other, make peace between them" [al-Hujurat: 9]. This verse shows how armed disputes between Muslims can be settled. The Iranian regime should have yielded to God's judgment and consented to the arbitration effort. If Iraq is found guilty in the arbitration process, the arbitrators will then make the judgment they will see fit. And Iraq has announced that it will accept arbitration. Iran too was expected to make such a declaration and to stop the war, leaving the matter up to judges who would then rule according to what they deemed was just under Islam.

[Question] The memorandum which was submitted by Egypt about Syria's violations of Islamic solidarity brings up the subject of the waves of terrorism which are sweeping the Islamic region. What is Islam's position on this terrorism?

[Answer] In general, Islam does not sanction violence. The Koran addressed the messenger, may God bless him and grant him salvation, and through him the Muslim nation. God Almighty said, "Call men to the path of your Lord with wisdom and kindly exhortation" [al-Nahl: 125]. God Almighty also said this about combat: "If they incline to peace, make peace with them, and put your trust in Allah" [al-Anfal: 61].

Islam does not sanction violence at all. Nor does it sanction terrorism. In fact, God said that those who kill have transgressed. "Allah has power to grant them victory" [al-Hajj: 39].

Islam has never been aggressive, nor has it ever been an aggressor. Terrorism with its notions, weapons and methods is imported and is alien to the Islamic peoples. Terrorism has been sold to Islamic peoples from abroad. Terrorists in Islamic countries are the tools of terrorism, and what they do is not in the interests of Islam and Muslims. They rather work for the interests of the enemies of Islam and Muslims. Nations and rulers have to oppose them.

#### The Syrian-Libyan Alliance

[Question] It is now evident that there is a dubious alliance led by Syria and Libya to support Iran. Does religion reject such bias in favor of one of the parties in a conflict, when that bias is at the expense of the interests of Islamic action?

[Answer] Yes. The solution to a conflict has been outlined in the noble verse of the Koran: "If two parties of believers take up arms the one against the other, make peace between them. If either of them commits aggression against the other, fight against the aggressors till they submit to Allah's judgment" [al-Hujurat: 9]. And there are other measures outlined in the noble verse. The verse comes to the conclusion that believers are brothers and that we should make peace between our brothers. The goal should be peace, not provocation and not prodding our fellow Muslims to fight. Nor should our goal be supporting one of the parties in a fight. Instead, we should try to bring the fighting to an end and to spare Muslims' blood because the messenger, may God bless him and grant him salvation said, "Muslims are forbidden from wasting the blood, property and honor of other Muslims."



[Question] What do you have to say about Egypt's resumption of its activities in the Islamic Conference Organization?

[Answer] Egypt has its importance, position and clout among Islamic nations in particular and in the whole world in general. There is no doubt that Egypt's resumption of its active membership in the Islamic Conference Organization will be an effective factor in stimulating this organization. God willing, this will make the organization carry out its duties and achieve the hopes that have been set for it.

[Question] Your Eminence, one of the curious contradictions is that although the name, Afghanistan, is the first name in the conference's alphabetical membership list, its seat will not be occupied at this conference since its membership was suspended at the Lahore conference in Pakistan because of the Soviet occupation of Afghan territory. Can that become an incentive for greater sympathy with the Afghan cause on the part of Islamic countries?

[Answer] The Islamic world must assist and support the Afghan freedom fighters who must be given their due place in this organization because they are actually the representatives of the Afghan people. They are fighting for the Afghan people's dignity, homeland, honor, land and freedom. The Islamic Summit Conference must clearly and loudly express its support for those people, telling the enemy invading Afghanistan to get out of that country with his soldiers and troops.

The question of Afghanistan is actually a hot issue. It is one of many issues which the Fifth Islamic Conference must adopt. The acute problems, as I mentioned, are the Iran-Iraq war, the war between Libya and Chad, the war in Afghanistan, Jerusalem, and the Palestine problem. These are the hot and acute problems which must be solved. Then there are economic and social problems that the Islamic Conference Organization must deal with as a unit. Countries and nations that are members of this organization must work together and form an economic unit on an emergency basis to correct their affairs. They must do without the aid of others who are enemies of Muslims and who do not wish this nation well. Instead, those people rush to harm this nation and to diminish its worth and magnitude.

#### Human Rights in Islam

[Question] The Islamic Summit has on its agenda a discussion of a document on human rights in Islam. What are the most important human rights which are guaranteed by Islam?

[Answer] The Holy Koran and the tradition of the prophet, may God bless him and grant him salvation, preserved and safeguarded man's dignity and his right to live in peace, to worship freely and to act freely within certain limitations and rules. Freedom of worship is sanctioned in Islam. There is no coercion in religion. Freedom of ownership is sanctioned in Islam, and freedom of speech is also sanctioned in Islam. In fact, it is safeguarded for all people, provided that others are not hurt by it. Thus, if we review all the rights, we would find them in the tenets of Islam. If the Islamic Summit Conference were to formulate that in a document which could be examined by people and publicized in their midst, that would undoubtedly be commendable. We hope this matter will be approved by the organization, and we hope that member countries will abide by it.

COMMENTARY ON AL-SHAYKH SALAH ABU ISMA'IL

Cairo AKHIR SA'AH in Arabic 21 Jan 87 p 14

[Article by Hamid Sulayman: "The al-Shaykh Abu Isma'il Phenomenon: Uncovered"]

[Text] Al-Shaykh Salah Abu Isma'il has been able to turn himself into a provocative phenomenon in our political life. It is a phenomenon marked more by self-promotion than by intellectual or objective issues.

Because he is promoting himself, he relies on perpetual motion and boisterous surprises to stay in the picture. Sometimes he is a Muslim Brothers' advocate; sometimes he is a leader of the Wafd party; and other times he is a protector of the groups. Recently he has come forward as one of the Liberal Party's "non-socialist" leaders.

Because he is a great scholar of rhetoric and exegesis, he devotes his talents in that area to justifying and rationalizing those shifts which have lost their credibility with public opinion, particularly now that "the colors of his hat," so to speak, outnumber the colors of the rainbow itself.

When the Muslim Brothers were in the midst of their predicament, he disassociated himself from them, and he declared they were "a group of people who had lost their way." When Egyptian laymen found the "enlightened" Islamic tendency convincing, the state reflected that conviction in its constitution, and the constitution manifested it in Article Two, making "the canonical laws of Islam the principal source for legislation." Al-Shaykh Salah Abu Isma'il then felt that he had reached safe ground, and, once again, he donned the Muslim Brothers' hat.

I asked Dr 'Abd-al-Mun'im al-Nimr one evening about al-Shaykh Abu Isma'il. He said, "He began his life chanting and explaining the Koran. He was extremely successful until he was dazzled by politics."

It seems that the pitfalls and turns of political endeavors altered the course of his activities. Instead of explaining Islamic positions, values and laws, he was explaining his own personal positions, declarations and independent opinions. The biggest evidence of that lies in his statement that the center of his activity now revolves around "the question of the canonical law of Islam." However, most of his recent statements and articles affirm that the center of

his activities revolves around al-Shaykh Salah Abu Isma'il himself. Let me tell al-Shaykh Salah quite sincerely that the contemporary concerns of a religious advocate outweigh by far the issue of one individual. It would be more worthy of a Muslim advocate to make people think about issues and concerns of some importance instead of taking up pages in newspapers to talk about his own issues, his travels here and there and his own private battles.

There is, for example, the question of writing down a contemporary version of the theory of Islamic government. There is the question of writing down a contemporary Islamic course for the economy to rebut allegations made by the enemies of Islam who claim that advocates of the Islamic Tendency do not have an Islamic political or economic theory.

And there are scores of positions which require contemporary, independent judgments: the attitude of a Muslim state toward alms-giving [to name one]. Should the choice be left to individuals? Is it the responsibility of rulers? And what is the position of wealthy Islamic countries which save their surplus funds in the banks of foreign countries without paying Islamic countries that are poor and hungry their due share of alms from these funds?

The application of the canonical laws of Islam, Shaykh Salah, requires considerable preparation and continuous effort. Theories and laws have to be prepared and equipped to explain Islam's positions on everything. The canonical laws of Islam would thus not turn into a mere slogan that could be upset and eliminated when tested and applied in the real, contemporary world.

As you can see, Shaykh Salah, there are scores of grave Islamic issues which are more important than that of Salah Abu Isma'il. I would hope that you could pause for a moment of self-examination and discover that someone had lured you into this state in which you are always defending yourself instead of defending more important issues that weigh heavily upon the minds of thinkers and dishearten those who promote Islam and strive for the cause of God.

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CSO: 4504/136

## TRADE-UNION PERSONALITIES ARRESTED

Kuwait AL-WATAN in Arabic 31 Jan 87 p 17

[Editorial Report] In a communique issued on 29 January 1987 in Tunis, the Tunisian Human Rights League revealed that 15 trade unionists, among whom are 3 former members of the UGTT [Tunisian General Federation of Labor] leadership, were recently arrested in Tunis and other cities. AFP quoted the Tunisian Human Rights League as saying that "among the trade-union leaders who have been under questioning since mid-January are three former members of the UGTT's executive bureau. They are Abdesselem Jrad, Ali Romdhane, Kamel Saad, as well as Habib Guiza and Mokhtar Khalifa, officials in the regional federation in Gabes, Tunis South, and Zaghouan.

No official explanations have been made concerning the reasons for these arrests. Trade-union sources explained that they took place between 20-24 January 1987, "for security reasons," while the UGTT's emergency congress was being held in Tunis. This is the congress that had as its objective approval of the removal of former trade-union leader Habib Achour, who has been in jail one year, serving out a seven year sentence, following his conviction on the charge of "mismanagement."

On the other hand, the office of the Tunisian public prosecutor ordered the suspension, for six months, of the weekly newspaper AL-MUSTAQBAL, which is the organ of the Tunisian Movement of Socialist Democrats, the legal opposition. AFP quoted the magazine's administration, saying, "On 29 January 1987, magazine officials were informed, without further explanation, of the decision to ban the magazine for 'disseminating and publishing false news.'"

The last issue of the newspaper AL-MUSTAQBAL was published last Wednesday and is still at the press. The magazine had been previously seized on 31 December 1986, as reported in a communique issued by the movement, mentioning that these measures aim at "preventing the movement from expressing its opinion on issues related to the future of the country."

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CSO: 4504/145



OFFICIAL DISCUSSES PLANS FOR WEST BANK

JN141020 Amman Television Service in Arabic 1820 GMT 13 Feb 87

[Interview with Ahmad Qatanani, undersecretary of the Ministry of Occupied Territories Affairs and rapporteur of the subcommittee for occupied territories affairs, by an unidentified Amman Television correspondent, carried within the weekly program "With Our People in the Occupied Territory;" date not given--recorded]

[Text] [Qatanani] The committee [for occupied territories affairs] has held many meetings during which it discussed measures for implementing the program [for the development of the occupied territories] and the mechanism of implementation. Committee members always kept in mind the circumstances of our kinfolk living under occupation are exceptional and implementing the development plan must take these circumstances into consideration. The subcommittee for occupied territories affairs has been and continues to be concerned that the implementation of the program should be, as much as possible, similar to the implementation of projects in the East Bank. To draw up measures for implementing the the program, the subcommittee has divided the occupied territories into nine development regions: 1. Jerusalem 2. Janin 3. Nabulus 4. Tulkarm and Qalilyah 5. Ramallah 6. Jericho 7. Bethlehem 8. Hebron 9. Gaza Strip.

The subcommittee then designated development committees for these regions. The subcommittee was concerned that the development committees represent both the public and private sectors. For instance, the measures I will talk about include forming a development committee for every region. The development committee will comprise the following:

1. The director of the department in charge of the development region who shall act as rapporteur for the committee and whose office shall be committee headquarters.
2. A public works official, a religious trusts official, of a municipality engineer from the center of the development region.
3. A representative from three government departments, one of whom being a representative of the Occupied Territories Affairs Ministry.

4. Two experienced and qualified persons of good standing from the private sector.
5. The official in charge of the water authority in the West Bank shall participate in development committee meetings when discussing water projects.
6. The deputies [in Parliament] of every eregion will contribute their views regarding the work of development committees in their areas.

Thus, the subcommittee has defined the development regions and the framework for forming development committees in these regions. The subcommittee than studied public works regulations in the East Bank and regulations for providing the necessary requirements in the East Bank. It drew up instructions for public works and instructions for the necessary requirements on the basis of these regulations, in view of the subcommittee's concern that the implementation of the program in the occupied territories be similar to the implementation of similar projects in the East Bank and be based on the same regulations and laws. For instance, the regulations for public works state the following:

Article One. The subcommittee. Definition: The subcommittee stems from the Higher Committee for Occupied Territories Affairs and exercises the powers of the Cabinet with the aim of implementing of these regulations. The minister: minister of occupied territories affairs. The law: The 1986 Public Works Law No 71. The public works: In accordance with provisions of the government works regulations. The governorate tenders committee: The committee formed in accordance with these regulations. The private tenders committee: The committee formed in accordance with these regulations for specialized projects.

Article Two. In every governorate a committee called the governorate tenders committee will comprise the following:

The director of public works in the governorate will be committee chairman. The governorate's financial officer, committee member. A district officer, committee member. The municipality engineer in the governorate's capital, committee member. Two citizens from the private sector will be appointed by ministerial decision.

Article Three. The headquarters of the governorate tenders committee will be at the office of the governorate's public works director. The committee can hold its meeting at the department concerned with the tender.

Article Four. The resolutions and recommendations of the governorate tenders committee will be subject to review and evaluation by the development committee for the region in question. The development committee will in turn refer these resolutions and recommendations, with the appropriate recommendation, to the Ministry of Occupied Territories Affairs for approval.

Article Five. The tasks and prerogatives of the governorate tenders committee will, in all other areas, be in accordance with the provisions of the regulations.

Article Six. On the minister's recommendation the subcommittee can form a special tenders committee comprising five members, one of whom is designated committee chairman, for a certain project if the project so requires or if the conditions to finance the project require special procedures for the tender.

Article Seven. With regard to the tenders for development projects in major municipalities having the appropriate technical apparatus, the subcommittee will decide whenever appropriate to delegate the tasks of the governorate tenders committee to the councils of these municipalities.

Article Eight. The Ministry of Occupied Territories Affairs will provide the necessary qualification for engineering companies and offices which hold official licenses, in the first stage of any tenders and engineering consultation, in accordance with provisions of the 1985 Consultancy Firms Law No 2.

Article Nine. The Ministry of Occupied Territories Affairs will provide the necessary qualification for contractors of engineering installations and work which have been officially licensed in accordance with provisions of the Building Contractors Law.

Article Ten. The procedures of the law will be the main basis for deciding on whatever is not provided for in these instructions.

The instructions on providing procurements, which are also based on the procurements law in force in the East Bank, are as follows:

Article One. Definitions. The subcommittee [for Occupied Territory Affairs]. The committee stemming from the Higher Committee for Occupied Territories Affairs and exercises the Cabinet's powers for the purpose of implementing these instructions. The minister: The minister of occupied territories affairs.

The law: The 1978 Procurements Law No 37. The procurements: In accordance with the provisions of the Procurements Law. The subsidiary purchasing committee: The central purchasing committee. The committee formed in accordance with these instructions.

Article Two. A subsidiary purchasing committee will be formed in every governorate by a ministerial decree as follows:

- a. A representative from the district's financial directorate.
- b. A representative from the department concerned.
- c. The rapporteur of the development committee in the region in question.

Article Three. The task of the committee will be as follows:

- a. The purchase of procurements, whose value does not exceed 5,000 dinars, through inviting tenders.
- b. The purchase of procurements, whose value does not exceed 1,000 dinars, through designation.
- c. The committee's decisions will be subject to the approval of the region's financial director.

Article Four. A central purchasing committee will be formed by ministerial decree as follows:

- a. The region's financial director, chairman.
  - b. The director of the department or body concerned.
  - c. The rapporteur of the region's development committee.
  - d. One member from the private sector appointed by ministerial decree.
3. The committee's resolutions and recommendations are subject to review and assessment by the region's development committee which in turn will refer them, with the appropriate recommendation, to the Ministry of Occupied Territories Affairs for approval. The committee will exercise the prerogatives of the central tenders committee provided for by law.

Article Five. With regard to tenders for procurements for development projects in the major municipalities which have the technical and administrative capabilities, the subcommittee will decide, whenever appropriate, to delegate the tasks of the central tenders committee to the councils of the said municipalities.

Article Six. All matters connected with procurements not mentioned in these instructions will be dealt with in accordance with the provisions of the law.

These are the development regions, the development committees, the public works instructions, and the procurements instructions which have been approved by the subcommittee for occupied territories affairs and which constitute the basis for beginning the [development] program's implementation. We have already begun to contact the rapporteurs of the committees in the development regions, asking them to come to Amman. We will then give each development committee rapporteur the projects approved by the subcommittee for occupied territories affairs in its latest meeting. Each rapporteur will be given a copy of public works instructions and a copy of procurements instructions. Then the invitation of tenders for approved projects will begin. Thus we are now in the stage of implementing resolutions adopted by the



subcommittee for occupied territories affairs on projects of the development plan. The finalized projects we are talking about are some of the projects of the development plan.

This is the first step in the implementation of the program. The projects contained in the occupied territory's development program have all passed through these stages. With respect to the new projects which we now receive from the occupied territory, they are prepared in this manner and with the participation of all the beneficiary parties I have already mentioned.

The Ministry of Occupied Territories Affairs studies these projects in consultation with the competent parties. We complete the study of projects whose technical studies have not been completed. The Ministry of Occupied Territories Affairs then refers development projects of a priority nature whose studies have been completed to the subcommittee for occupied territories affairs with the appropriate recommendations. After these projects are comprehensively reviewed, the subcommittee for occupied territories affairs adopts the appropriate projects and allocates the necessary funds for these projects in accordance with its tasks and prerogatives. This is the second step, which is allocating the required funds for implementing projects.

The third step in the implementation of the program is that of preparing documents and implementing projects. This step largely depends on the development committees in the occupied territory. The projects for which allocations have been approved are referred to the development committees. The development committees perform the following tasks:

1. Announcing project and supply tenders and inviting tenders in accordance with the relevant regulations of the subcommittee for occupied territories affairs.
2. Auditing and assessing decisions and recommendations of the tender and supply committees and referring them to the Ministry of Occupied Territories Affairs for approval and implementation.
3. Studying and approving followup and supervision reports.
4. Coordinating among the small local councils to establish joint services projects.

With respect to projects of major municipalities which possess the appropriate technical equipment, the subcommittee will refer, whenever appropriate, the tasks of the development committee to those municipal councils regarding implementation of projects on condition the development committee in the development region will carry out its tasks of implementing the remaining projects in the same development region.

The fourth step in implementing the development program in the occupied territories is the procedure of disbursement:

A. The bills and requirements list are first approved by the supervising engineer, then by the director of the concerned development region.

B. The bills and documents are audited and become payable through checks to be withdrawn from an authorized bank and signed by all members irrespective of the amount. These members are:

1. The rapporteur of the development committee in the concerned region or any person authorized to do so by the committee in the absence of the rapporteur.

2. The financial director of the concerned development region.

3. The auditor authorized by the Ministry of Occupied Territories Affairs.

C. The document of delivery is signed and the final installment is specified by a committee comprising the following:

1. The public works engineer in the governorate.

2. A representative of the Ministry of Finance.

3. A representative of the concerned party.

4. The auditor authorized by the Ministry of Occupied Territories Affairs.

5. The supervising engineer.

D. A special account will be opened at the main branch of the authorized bank in Amman and financed through a loan to be decided by the subcommittee for occupied territories affairs from project allocations. The bank uses this loan to cover withdrawals from its branch. This loan is paid back through accountancy settlements against effective actual expenditures from the allocations of these projects in accordance with the financial settlements received by the Ministry of Finance.

E. The finance department in the concerned region keeps records used by the Ministry of Finance, regulates the financial situation and monthly balance sheets, and every month provides the Ministry of Finance with original copies of these documents with another copy of the Ministry of Occupied Territories Affairs.

F. The following reports are presented monthly or upon request to the ministers of finance and occupied territories affairs and the rapporteur of the development committee in the concerned region:

1. A report from the finance director including projects whose tenders have been awarded, the value of the tenders, the percentage of implementation, and the funds paid for each project.

2. A report from the director of the beneficiary party detailing the awarded projects, their value, the accomplished work, and the funds paid for every project.

G. The authorized bank presents a monthly statement of account to the director of finance in the concerned region, who in turn audits the statement, approves it, and sends copies to the ministers of finance and occupied territories affairs.

H. The Ministry of Finance keeps the central records required for the finalization of the records and the observation of allocations.

I. When the municipal council assumes the tasks of the development committee according to the aforementioned regulations, the procedures of regular disbursement are carried out as usual with the participation of a representative of the Finance Ministry and the auditor authorized by the Ministry of Occupied Territories Affairs.

The fifth and last step in implementing the development program in the occupied territories are procedures of observation, supervision, and delivery:

A. The Ministry of Occupied Territories Affairs assumes the responsibility of following up the implementation of projects and supervising the stages of work in these projects through periodic visits and inspections by the agencies of the ministry.

B. Fund transfers to finance the projects are matched against supervision and followup reports on the progress of work, making sure no funds are released for a particular phase before verifying that the preceding phase has been completed, judged against project documents.

These are the procedures for executing the development plan in the occupied territories. As I have already pointed out, we have asked committee rapporteurs to hand in projects approved for their respective development areas. Copies of instructions are to be given to the public works and procurement departments. A memorandum spelling out the procedures for executing the program will be distributed to the rapporteur and other members of committees in the development areas.

It remains for me to discuss the ninth development area, the Gaza Strip, for which we are finalizing projects before submitting them for ratification by the subcommittee for occupied territories affairs within the limits of funds earmarked for the Strip. The mechanism of executing the program is now being examined in cooperation with the Gaza Philanthropic Society with a view to working out the right formula for putting the plan into action.

All of these measures are designed, first and foremost, to support various projects in occupied territories, be they public or private. We will try to see to it that the support we provide, in loans and grants, is put to the best use. Hopefully, the program will be implemented in a fashion meeting

the needs of the occupied territory's population in the difficult circumstances they are going through. As for the subcommittee for occupied territories affairs, it meets on a continuing basis to keep track of the progress in implementing the development program, which it is hoped will be successfully executed. We are confident our people in the occupied territories and those overseeing development in their respective areas will handle their responsibilities conscientiously to achieve the goals set for the plan.

/6662

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POLITICAL WRITERS DEFEND SYRIAN ENTRY, DEPLOYMENT IN BEIRUT

SAWT AL-SHA'B Editorial

JN231223 Amman SAWT AL-SHA'B in Arabic 23 Feb 87 pp 1, 19

[Editorial: "The Beginning of the End"]

[Text] Undoubtedly it is good news for all the Lebanese people to hear that units from the Syrian forces alongside Lebanese forces have moved toward Beirut to establish stability, security and then peace which has become a need more urgent than even bread, and afterwards breathing life again into establishments, factories, streets, and roads away from the panic and terrible anxiety.

This signals the long-awaited recovery and the only road leading to salvation for the sons of Beirut and Lebanon who can no longer tolerate the impossible daily anguish. Over the past 2 years, Beirut has been a playground for saboteurs, thieves, terrorists, and those with sick sectarian ideas. It was theater for assassinations, kidnappings, and terrorism. The sons of Beirut have also experienced humiliation and disorder unprecedented in its history.

As the advance Syrian forces begin to take up positions in preparation for the entry of some into West Beirut, it is hoped they will not merely mete out punishment to rioters, troublemakers, and those violating the dignity of the overwhelming majority of the Lebanese, but that they will strike at everyone who allows himself to be persuaded into attempting to return Beirut to the circle of death it has experienced over the past 2 years and which hampered the process of national accord and settlement of the Lebanese crisis.

What is required first is to clear the city of all gunmen, seizing all the weapons they possess, remove the barricades, from the sand bags to the reinforced concrete, and then to close all the offices of all the armed militias and to implement immediate martial law stipulating that all violators of the accord which these forces came to implement, with the assistance of the Lebanese Army and other regular legitimate forces, will be fired at.

Afterwards, life must be restored to the economic, social, and medical facilities, which must be preceded by the constitutional establishments and all apparatus belonging to the Lebanese legitimate authority.

The suffering Lebanese people who are enthusiastically welcoming those implementing this important security plan, which hopefully will constitute the beginning of a comprehensive solution to Lebanon's tragedy, are doing so because they long for genuine security. Their feelings stem from their agonizing search for a central force to rescue them from the bitter suffering which has eaten up security, bread, oil products, and from a situation where children have grown up without childhood.

Perhaps West Beirut has now begun to wipe away its tears to cooperate with the sincere sons of Lebanon, Syria, and the Arab nation. It is high time that the city was liberated from all the old tampering. We hope that this will be the beginning of the end, and the first step toward a comprehensive settlement of the crisis of fraternal Lebanon and maintaining the sovereignty, independence, and unity of its land and people.

#### AL-RA'Y Article

JN261115 Amman AL-RA'Y in Arabic 22 Feb 87 p 22

[Political editor's article: "What Will Happen After the Entry Into West Beirut?"]

[Text] Since the Syrian Army is not a police force, its entry into West Beirut has cost scores of dead among the militias, which are allied forces, in the first 2 days only. The figure is expected to rise in the next few days if these militias do not understand the measures which any army would take on entering a city teeming with arms and armed men and suffering from chaos and absolute lack of security.

The Syrians have warned their Lebanese allies, who asked them to oversee the security plan, of such results even before entering Beirut. It is certain that the presence of the Syrian Army and two Lebanese Army brigades in West Beirut will lead to frustration and anger among the militias. But everyone will soon get used to the new situation and show better and broader awareness of the meaning of a homeland and of the impossibility of the partition solution.

What could now happen in Lebanon after the restoration of security and the legitimate government authorities in the western part of the Lebanese capital? What solution could we imagine in the near future?

In Damascus' calculations, the Lebanese solution will absolutely not be a military one. All the forces have failed to impose the military solution, because these forces were restricted by their sectarian strength. Neither the Phalangists were able to impose the Maronite solution, nor Amal was able to impose the Shi'ite solution, nor was the PSP able to impose the Druze solution. The Lebanese forces can divide Lebanon, but they cannot maintain its unity and establish a national sovereignty. In Damascus' calculations, it too cannot impose a military solution. In fact, Damascus does not want to impose such a solution.

So what does Damascus want?

Damascus is now trying to reduce the state of division on the other side [West Beirut]. It wants the legitimate government authorities to control matters outside the Maronite canton and in all of Lebanon. It then wants to place both sides before the political solution.

The envoys of President Amin al-Jumayyil have been going back and forth to Damascus for one and half months now in order to arrange a meeting with President Al-Asad to discuss all the ideas of a political solution. On the other hand, the national and Islamic forces have been trying for some time to present their own ideas of a political solution. The Lebanese dialogue taking place in Damascus has the following aims:

Amending the constitution and the 1943 convention so that all the Lebanese will participate in the government on an equal and equitable basis.

Defining the Lebanese national identity and its relationship with the Arab national identity within the concept of the Lebanese-Syrian relations.

Lebanon and Syria are not merely two neighboring Arab states. Since the emergency of the Syrian entity, the establishment of great Lebanon, and the development of the Arab-Zionist conflict, Lebanon has been part of Syria's national [qawmi] security and Damascus' soft underbelly. Syrian concern about the situation in Lebanon does not stem from "territorial expansionist designs" or "Syrian hegemony" as some hostile forces want us to understand, but from Syrian national [qawmi] interest and the fate of the Syrian and Lebanese role in the Arab-Zionist conflict.

Syria wants a united, sovereign, and independent Lebanon just as any Maronite wants. But Syria, regardless of who is ruling it, whether Hafiz al-Asad, Hashim al-Atasi, or Adib al-Shishakli, will not allow Lebanon to become a knife in Damascus' underbelly regardless also of who is holding this knife-- Britain, the United States, or Israel. Lebanon will not be a base or a passage for imperialism as Riyad al-Sulh used to say in the 40's. This is where we start.

/6662

CSO: 4400/154

JORDAN

BRIEFS

AMBASSADOR TO COLOMBIA--Amman, 25 Feb (PETRA)--A royal decree has been issued approving the apointment of Talal Hikmat as Jordan's nonresident ambassador to the Republic of Colombia. [Text] [Amman PETRA-JNA in Arabic 1420 GMT 25 Feb 87 JN] /6662

CSO: 4400/154



OIL EXPLORATION OPERATIONS AFFECTED BY PRICE DROP

Kuwait AL-SIYASAH in Arabic 30 Dec 86 p 7

[Article by 'Abd-al-Karim Kazim: "AL-SIYASAH Sheds Light on KUFPEC (Kuwait Foreign Petroleum Exploration Corporation); Price Drop in Recent Months Has Had Negative Impact on International Oil Exploration Activities"]

[Text] An official KUFPEC source said that the big and accelerating drop in oil prices in recent months has greatly affected oil exploration operations because of the risk element characterizing such operations and because they are closely and sensitively linked to short- and long-range price expectations. This has motivated the international oil companies to reduce greatly their oil prospecting and exploration allocations. The average reduction amounts to one-third of the allocations, with some companies, especially independent and nonintegrated companies, making even greater cuts.

In an interview with AL-SIYASAH, the source added that it is normal for KUFPEC prospecting and exploration operations, like the operations of the other companies operating in this field, to be affected by the developing situation, especially since expectations for the world oil-prospecting projects have changed fundamentally as a result of the drop in oil prices.

However, the corporation has taken the immediate steps and measures necessary to adapt to the sudden realities and developments and has followed a conservative and selective course in its new operations and projects so as to insure the continuity and development of its activity with the highest capability and technological standard.

In his interview with AL-SIYASAH, the source noted that this is why the corporation has focused on achieving the ideal utilization of its resources by squeezing expenditures, watching costs, rescheduling the exploratory program, and reducing the risks to the oil assets purse. This does not mean that the corporation will not embark on the implementation of any new projects. On the contrary, the corporation will try to exploit the existing circumstances to develop and improve its investment purse.

Even though 1986 has been a poor year for the oil companies' international prospecting and exploration operations, the corporation has carried on with its intensive operations and has achieved encouraging progress in several parts of the world to which its activities extend.

The source noted that in 1986, the corporation operated five major exploratory projects and that this role requires a high degree of skill, expertise, and technical capability which are available only to the major companies with experience of several decades. The corporation drilled two wells in the concession it has in Bahrain and three other wells in two concessions it has in Tunisia and has carried out seismological surveys to determine the sites for drilling new wells in Siram, Indonesia. The corporation has also supervised its subsidiary's exploratory activity in Australia. The corporation has not only played the role of operator in these areas but has also carried out other projects in Indonesia, Egypt, Ireland, China, Italy, Oman, Tanzania, Sudan, and the Congo.

The source also noted that the corporation has continued to conduct studies on more projects in these and other areas.

The source added that even though the corporation's activities and operations are not confined or limited to a certain geographic area or certain countries, the corporation has its considerations and criteria for the countries in which it wishes to operate, a foremost of which are the economic profitability potential and the facilities offered by the host country to guarantee the corporation's investment and the transfer of profits as well as tax conditions and facilities. But this does not mean that the company does not consider embarking on projects in the fraternal Arab and Islamic countries and in the Third World countries tied to Kuwait by friendship and cooperation relations founded on mutual interest.

The source also said that to expand its activities in the Third World countries, the corporation participated in setting up the International Energy Development Company and recently acquired full ownership of this company, thus increasing its shares in a number of concessions in the Third World countries. The corporation has also added Australia's exploratory operations to its exploration purse, thus insuring greater efficiency and economy by uniting and merging the two corporations' personnel apparatus.

As for East Asia, the source noted that the company is currently engaged in activities in Indonesia, China, and Australia and that it is studying a number of projects to embark on operations in a number of other countries in the area, if the economic feasibility of these operations is proven and if the corporation obtains the guarantees necessary to facilitate its activities.

The corporation has also taken into consideration the current stagnation in the international oil industry and has decided to wait before embarking on any new exploration projects at present, unless it gets the opportunity to obtain good terms which were previously unavailable and which are compatible with the conditions currently prevalent in the international oil sector. We wish to stress here that the host countries' policies of offering the incentives, facilities, and guarantees needed by foreign investors constitute an important factor in encouraging the corporation to embark on new projects in such countries.

The International Energy Development Company has been engaged in oil and gas exploration operations in several parts of the world. The company's activities also include providing a variety of advisory services to companies operating in the oil industry. This company has been successful in Egypt and Australia, where it was announced that the finds in the concession areas in which the company is a partner are commercially feasible.

The source stressed that it is normal for KUFPEC to expect profits from its full ownership of this company, in addition to savings in costs and to enhanced executive efficiency emanating from merging the two companies and uniting their operations.

It is well known that when compared with most of the other industries, oil exploration projects are considered long-term investments that take a long time before yielding any profits and that one has to wait several years after a project is completed to obtain any revenue. In addition to the profit element, the corporation has benefited greatly from the technical expertise of the specialists who were employed by the International Energy Development Company.

As to whether there are future plans and programs, especially in the gas industry area, which the corporation intends to implement, the source said that the corporation's operations are implemented on the basis of a 5-year plan which is subjected to constant review and reassessment, taking into consideration expected developments in the international oil industry and seeking to take advantage of the available spheres and circumstances to embark upon new projects and other activities, such as participating in already existing projects that help achieve balance in the corporation's investment purse. The source pointed out that the corporation has no special plans and projects for the gas industry per se because its policy is founded on investment in profitable projects, regardless of whether they are gas or oil projects, saying that the corporation favors one over the other only inasmuch as its interest is served. The corporation is currently a partner in a major gas field in the PRC. Since this field was declared to be commercially feasible, the corporation has been cooperating with its partner and with the Chinese side to study the ideal means for exploiting the gas find at the earliest time possible.

8494/7358

CSO: 4404/190

## BRIEFS

DEFICIT FIGURES REVEALED--The State of Kuwait fiscal administration's revenues for fiscal 1985-86 amounted to nearly 2.3 billion dinars and the ministries' and government departments' total spending amounted to nearly 3.1 billion dinars. Thus, the actual deficit amounted to 761 million dinars, with nearly 235 million dinars of the revenues allocated for the Future Generations' Reserve and 30 millions allocated as a payment to the capital of the Kuwait Arab Economic Development fund. The KUWAITI OFFICIAL GAZETTE published today amir's decrees approving the state's general budget and the final accounts of 13 independent and affiliated government establishments and organizations. Most of these establishments realized a varied revenue surplus as a result of abiding by the policy of rationalized spending and reduced expenditures and of all the precautions the government took to counter the price fluctuations in the international oil markets. By examining the preliminary estimates in the draft budget submitted by the Ministry of Finance and comparing these estimates with the actual and approved results demonstrated by the final account, it is obvious that both revenues and expenditures were lower than had been expected. The revenues cited by the general draft budget amounted to 3,116 billion dinars whereas the actual revenues approved in the final account amounted to 2,345 billion dinars, with a deficit of 771 million dinars. The expenditures anticipated by the draft budget amounted to 3,420 billion dinars whereas the actual expenditures amounted to 2,106 billion [sic] dinars, with a drop of 315 million dinars. [Text] [Kuwait AL-SIYASAH in Arabic 6 Jan 87 p 9] 8494/7358

CSO: 4404/190



HIZBALLAH ORGANIZES BROAD DEMONSTRATION IN SUPPORT OF IRAN

Beirut AL-'AHD in Arabic 17 Jan 87 pp 5-7

[Article: "A Broad Islamic Lebanese and Palestinian Expression of Solidarity with the Role of the Iran of Islam: Statements, Declarations and Cables Demand Resumption of the Initiative"]

[Text] Lebanon has witnessed intensive activity among the people over the request that the Islamic Republic continue its initiative, now that our brother the fighting man Sheikholeslam last Sunday set a deadline for determining the fate of it, depending on the response the parties involved in the war of the camps show.

Until a few hours before the deadline set for declaring the fate of the initiative, neither of the parties concerned had shown serious movement which might encourage the continuation of efforts to halt the war, except for the meeting held in the home of Shaykh Mahir Hammud, which contained representatives of the Palestinian Salvation Front, FATAH-Revolutionary Council and the Democratic Front, who expressed readiness to facilitate the continuation of the initiative and the execution of the sections in it.

It appears that this step was not quite enough to launch a new stage in the Iranian Islamic endeavor. Broad sectors of sincere Moslems got in movement to urge the Islamic Republic to continue its effort.

The movements included the Palestinian and Lebanese people. In the Lebanese context, statements and cables of support and encouragement were issued by the Hizballah, the Islamic Resistance, the Grouping of Moslem Learned Men, the Islamic Society, the Board of Scholars of Mount 'Amil, Ayatollah Fadlallah, the learned Shams-al-Din, Shaykh Sha'ban, the learned Tarad, our brother the fighting man Husayn al-Musawi, Mufti Qublan and Mustafa Sa'd.

Two parades were held which the Hizballah had called for, one in Beirut which set out for the building of the Islamic embassy, which received "the decree on continuing the initiative," and another in Ba'labakk. The Board of Learned Men of Mount 'Amil organized a sit-in at the Club of Imam al-Sadiq (on whom be peace) in Tyre.

In the Palestinian context, all the camps in Beirut and the south sent influential telegrams of support and more than one statement was issued by

more than one of the people's bodies in some camps. In this area, the dispatch of a cable was registered by the Council for the Observation of Religious Affairs of the Palestinian Scholars of Religion supporting the initiative and urging its continuation. One of the Palestinian learned men contributed a statement at the observances which followed the parade in Beirut.

Herewith is the report that AL-'AHD has prepared on the activities in the light of the cables it has received and the activities which have been covered:

"I bring you tidings that the Islamic Republic in Iran has taken a decision in which it asks us to continue our efforts to halt the war of the camps."

The assistant Iranian minister of foreign affairs for political affairs, Hoseyn Sheykholeslam, declared this from the balcony of the embassy of the Islamic Republic in Beirut before a vast group of Moslem masses who had demonstrated at a parade which the Hizballah had called for and organized in support of the continuation of the Islamic Republic's initiative to halt the war of the camps and the demand that the belligerent parties carry out its sections, not obstruct it and unify efforts to crush the usurper enemy in Mount 'Amil until the liberation of Jerusalem.

Prior to and simultaneous with the parade were a group of concentrated activities by people and leaders which were focussed on requesting the Islamic Republic to continue its initiative.

In this area, a number of declarations and statements of support were issued by various Palestinian and Lebanese forces and sectors.

#### Hizballah Organizes a Parade of Support

The most conspicuous activity on the people's part was the teeming parade the Hizballah called for and organized, which set out at 1130 hours from the al-Zahra' mosque (on which be peace) in the al-Bilat alley, headed by people carrying pictures of Imam Khomeyni, Ayatollah Montazari and Imam Musa al-Sadr, red and green flags and banners on which had been written "Yes to the Islamic initiative, a way to stop the bloodshed among Moslems," "No to the obstruction of the Iranian initiative -- any obstruction is service to the enemies of Islam" and "We demand the conflicting parties to carry out the sections of the Iranian Islamic initiative." Proceeding at the front were Mr Ibrahim al-Amin, Shaykh Muhammad Shahrur, Shaykh Husayn Ghabris, Shaykh 'Ali al-Khazim, Shaykh Yusuf Da'mush, Shaykh 'Izzat Haydar, Shaykh Muhammad 'Amr, Shaykh Muhammad 'Aytawi and Shaykh Na'im Qasim.

The people holding the demonstration constantly voiced slogans calling for Islamic unity and a halt to the conflict, such as "There are no Sunnis and no Shiites -- unity is an Islamic unity" and "All fighting men, in the inner alleys, suspend all conflict and converge on 'Amil." The parade continued on, passing by al-Musaytibah and Burj Abu Haydar and reaching the building of the embassy of the Islamic Republic, where the people holding the demonstration gathered and Shaykh Husayn Ghabris spoke to them, saying,

"You have been blessed, you who have declared to all the people your rejection of the conflict, and through this cry you are expressing the true face

of the struggle against Israel. No to dissension, no to wars; let all rifles and hands be unified in order to be directed at the land of 'Amil, as the people of the Islamic resistance are doing who have cried out in their loudest voices 'Fighting is forbidden, except against Israel.'

Al-Amin

Mr Ibrahim al-Amin then gave a talk in which he said,

"We are at the embassy of martyrs and fighting men, we are at the home of Imam Khomeyni, at a time when in spite of all the media manipulation the Moslems in Iran are recording the most splendid triumphs against Saddam's army and the fighting men have been able to defeat Israel in the south and the western al-Biq'a'. We view the infighting, which has caused pain to everyone, with sorrow, and we view the Islamic Republic's intervention and the imam of the nation's concern for the conditions of Moslems with joy. The Islamic revolution has performed its duty in stopping the bloodshed because that will realize only Israel's interests. The interests of Islam are in fighting Israel and in the need for the continuation of the Islamic Republic's initiative, because it is the only just, honorable, rightful initiative which has contained sections on stopping the war and solving the problem in the light of the higher interests of Islam."

He went on, "Some parties have tried to obstruct this initiative, which has stopped the bloodshed, but we say, at a time when the Islamic Republic is going through a great victory, while others are conspiring against Islam through the conference of ignominy and disgrace, the conference of the capitulationists which they are holding in a country fighting Islam (Kuwait), we ask all belligerent parties that if they want to thwart the conspiracy of the Arab reactionary regimes and the conspiracy of America, let them carry out the Islamic Republic's initiative. Therefore we call on the imam of the nation, his deputy and the officials in the Islamic Republic and its embassy in Lebanon to continue with the initiative in the interests of Islam and the Moslems. These learned men and brothers and sisters continue to demand the initiative, and they are waiting and will not leave this place until they hear a decree stating that the Islamic Republic will continue in its initiative to resolve the struggle."

Akhtari's Statement

After that, the representative of Imam Khomeyni and ambassador of the Islamic republic in Damascus, Shaykh Akhtari, gave a statement in which he said,

"In my name and in the name of the assistant to the foreign minister of the Islamic republic, our brother Hosayn Sheykholeslam, I thank all Moslems and all people loyal to the Islamic Republic's initiative and bring you good tidings of the victory your brothers have realized in the imposed war in the Shalamshah area of Basrah. Your brothers' defense continued in the area for 3 days and last night the final stage of the Karbala' Five offensive began. I can only mention to you what has been realized through the aid of almighty God. The fighting men so far have brought down 25 of Saddam's regime's airplanes, have inflicted more than 15,000 casualties on it and have taken more

than 1,300 prisoners so far. Our brothers have found through the enemy's radio equipment that the commander of the Iraqi third corps has acknowledged the fragmentation of his forces. God willing, as the imam has said, this year is a year of decision, and the way will be paved for your fighting brothers in the Islamic Republic to liberate Jerusalem from the hands of the Zionists and hand it over to the Palestinians."

He went on, "With respect to the Islamic Republic's initiative, I can tell you that for 2 months the republic has carried out its initiative, proceeding from its legitimate responsibility of protecting the blood and unity of Moslems and restriction of the use their abilities to liberation of the sacred territories. We have, under the care of God, striven and struggled, and we have seen that there are some parties which are obstructing the initiative. In the latest statement, Sheykholeslam declared 'By Sunday, if the two parties do not commit themselves and pledge to us to withdraw and break up the blockade, we will abandon our mission.' We have promised the two parties to carry out what we have pledged to do, on the basis of the statements that have reached us from the learned men, leaders and commanders of the two groups, and we have passed that on to officials in the Islamic Republic, especially the demand of Imam Khomeyni and Mr Khamene'i. I will convey this position on your part to the officials and we will await the president's reply. If we receive an order we will continue, because we believe that our initiative is the only one of its kind for solving the problem in Lebanon and the Moslems in general know that the Islamic Republic, since its establishment, and the imam and commander, for 40 years, have considered the Palestine cause an Islamic one, not a personal one and not a private one but rather the cause of the Moslems, and they must fight to liberate Jerusalem. Imam Khomeyni, you all know, is a benevolent father of the Palestinians and the Moslems, and it has truly been an obligation of his and the republic's to perform their duty vis-a-vis the Moslems in Lebanon and Palestine."

In conclusion, he thanked everyone in his name "and in the name of Sheykholeslam and in the name of the embassies in Beirut and Damascus, the bodies which have helped and are helping make the initiative a success."

#### A Palestinian Learned Man

Then a Palestinian learned man made a statement saying:

"At this stage, now that we have seen the conspiracies being woven against the Moslems and now that we have seen the brothers in Iran constantly trying to thwart these conspiracies, the enemies have failed to turn the domestic wars into religious ones and have resorted to the war of the camps, because they have found that the Islamic resistance has crushed the Phalangist army and the Jews and has gone into the Jews' lair, to tell them, 'Do not imagine that your schemes will be carried out.' We have seen Sunni and Shiite Moslems going into Lahad's positions and coming back with booty and martyrs, to tell everyone that the honorable struggle is there, not in al-Rashidiyah and Maghdushah."

He said, "From this place, we urge Sheykholeslam and all the Moslem brothers working in Iran not to abandon Islam and the Moslems. The conspiracy is



being woven not against the camps and against Maghdushah alone, but for a strike against the Moslems. We urge you not to withdraw your hands and your initiative, which has the goal of reviving the Moslems, while every party stands as a stumbling block before it. In God's name, we have no part of them. They are agents of the Jews and are conspiring against Islam and the Moslems. Finally, we ask those who claim to be nationalistic, if you are truthful with respect to your nationalism, go fight Israel and carry out the initiative."

#### Sheykholeslam's Statement

The Iranian assistant foreign minister, Hoseyn Sheykholeslam, then gave a talk which he began by stating, "Sincere Moslems, I convey to you the greetings of officials in the Islamic Republic and their thanks for your feeling of responsibility and your great cooperation with the initiative to stop the war of bloodshed on behalf of the liberation of Jerusalem.

"We have passed your warm appeal for the sake of the continuation of our Islamic initiative to solve the Lebanese-Palestinian problem on to the officials, and we have sent the cables which have urged us to continue with our efforts, considering that they are the true hope for mending the rift. I bring you the tidings that the Islamic Republic has taken a decision in which it has asked us to continue our efforts and quests, and we will subsequently publish its contents in detail."

He concluded by giving thanks in his name and in the name of the Islamic Republic to "the learned people of Islam and all Moslems, Islamic figures and influential persons, Lebanese and Palestinian organizations and forces and friendly countries which have supported our initiative."

#### Al-Musawi and Cables to Khamene'i

Mr 'Abbas al-Musawi then gave a statement in which he greeted the participants in the parade of support for the initiative, then read out cables and appeals directed to the president of the Islamic Republic, Mr Khamene'i, from the Grouping of Moslem Learned Men, the Hizballah, the Islamic Resistance, Ayatollah Fadlallah, the learned Shams-al-Din, the Council of Learned Men of Mount 'Amil, the leadership of the al-Rashidiyah camp, the people's committees in Shatila, the people of al-Burj and Shatila, Shaykh Hasan Tarad, Shaykh Sa'id Sha'ban, Shaykh 'Abd-al-Amir Qublan, Shaykh Mahir Hammud, Shaykh Ahmad al-Zayn, Mustafa Sa'd, the al-Shabriha, al-'Aytaniyah and al-Burghaliyah camps, the learned men of Palestine and the learned men of Tyre.

#### The Islamic Resistance

In addition, the Islamic Resistance, in the statement it issued, asserted that had it not been for the Islamic initiative, "We would not have been secure in our rear when we continued our holy war operations. The initiative, whose contents we praise, has constituted a strong support for us and we have been able to depend on it and carry out a specific group of bold operations against the positions of the Israeli occupation and its agents, which have been an explicit declaration of the start of the breakdown of Lahad's army."

The statement added:

"We consider that the continuation of the war of the camps and the failure to respond to the initiative for the resolution which the Iran of Islam has submitted are sharp blows at the Islamic Resistance, which represents the symbol and dignity of the nation. On this basis, we are placing the parties to the war of the camps before their responsibilities vis-a-vis the blood of the martyrs and frankly cry to them for help regarding the blood of the martyred Shaykh Raghīb Harb, Shaykh 'Izz-al-Din al-Qassam and the other martyrs, to reply to God and the prophet and immediately start the actual serious execution of the Islamic plan to end this war, in order to revive the innocent and preserve the Islamic Resistance."

The statement concluded, "We demand the brothers in the AMAL movement to carry out their undertakings and lift the supply and medical blockade from al-Rashidiyah camp, and call on our Palestinian brothers for the need to withdraw from Maghdushah and start realistic discussions for organizing relations on the rule of continuing the struggle against the Zionists and their agents."

The Hizballah

The Hizballah issued a statement in which it was said:

"Moslems in Lebanon:

"People of the nation of Hizballah:

"The bleeding wound in the camps, in a continuous form, for more than 3 months, within the hearing and sight of the 'civilized' world, through the rifts occurring in the Arab world as a result of some aberrant policies which reactionary, capitulationist regimes and groups that are zealously rushing after American liquidationist solutions for the region are pursuing:

"This open wound which is draining all the other Moslems, in the form of Lebanese and Palestinians, and is using up most of the massive accomplishments the fighting men in the Islamic Resistance have realized in the course of 4 years of real, effective resistance to the Zionist enemy, and which consequently is distorting the features of the picture of the political and cultural future for which chaste blood has been spent and massive sacrifices made:

"This wound, whose danger all persons involved are familiar with, ought to have been bandaged up and treated. The blessed initiative the Islamic Republic in Iran has propounded is a flash of real hope for the termination of this bloodshed and the placing of a limit on the bitter fighting among groups which are supposed to be fully aware of the magnitude of Zionism's joy over the battles of internal attrition which divert them from resisting it and turns them away from their central cause, embodied in the need to drive Israel out of existence.

"This initiative has shown the concern of the leaders and officials in the Islamic Republic for the security of Moslems whether they are in the camps

or their surroundings, it has stressed the fighting men's right to bear the arms of people resisting the Israeli enemy, it has clearly declared the necessity of keeping Palestinian arms in the camps and keeping them from entering into the labyrinths of domestic local politics, and it has underlined the need for a comprehensive, final cease fire, the removal of the blockade of the camps and preservation of the rights of civilians in full.

"The proponents of this initiative have realized, and we have realized with them, in a clear manner, the magnitude of foreign acts of intervention and their effect on the belligerents, but concern for the need to bind up the wound and organize relations among the groups which are basically concerned with fighting the enemy has constantly prompted them to provide the possible opportunities for the sake of implanting peace and snatching the fighting men from the clutches of the international game, which seeks to exhaust them all under agitated atavistic slogans.

"However, it appears that patience in this direction has started to entice others to follow the technique of manipulation and gain time for the sake of inflaming the fire of war, rather than responding immediately and practically to the sections of this initiative, which has imposed its credibility on everyone.

"What our brother Hoseyn Sheykholeslam recently declared underlines the concern of the Iran of Islam for what we have referred to and reflects a feeling of bitterness over the parties' failure to carry out their undertakings. At the same time, it underlines important positive aspects in the plan which the people concerned must understand and hasten to answer practically and carry out, before others come forth to formulate plans for liquidating the Palestine cause at the sacrificial altar of Arab conferences.

"We call on the AMAL movement and the Palestinian organizations in general to be aware of the dimensions of the conspiracy and commit themselves to a serious, comprehensive, final cease fire. We also stress the need for break-up of the supply and medical blockade of the al-Rashidiyah camp and withdrawal of the Palestinians from Maghdushah preparatory to the commencement of serious, objective talks. Here we would like to point out that any talks it is hoped to promote must gain approval from the environment in which the parties are acting, because history proves that nothing can be imposed on the people in the environment, no matter what the status of others might be.

"We direct ourselves as sincere persons and call on everyone not to miss this historic opportunity to record on their behalf that they have responded to an initiative preserving the security of Moslems and guaranteeing the continuation of the fighting men's resistance of the Zionist enemy until the liberation of Jerusalem and Palestine."

Fadlallah

For his part, Ayatollah Fadlallah considered "The initiative of the Islamic Republic contains the best political initiative, because it has managed to work in a balanced line between the security the Palestinian people aspire to in their camps and the freedom of continuing their holy war against

Israel to reclaim their land, and between the aspiration of the Moslems in Lebanon that the Palestinian situation not develop into an instrument for confusing the political situation to the way it was before 1982 or on the basis of non-exploitation of the Palestinian people by the reactionary and colonialist regimes to strike at the Islamic orientation in its movement against colonialism and Zionism."

His grace stressed that the initiative has been able to realize more than one positive result in the context of Islamic unity and in the context of the human situation in the atmosphere of the camps and has also been effective in the context of the region, eliminating many of the conditions which are seeking to isolate it from the process of the political situation.

He went on, "We believe that it is necessary for this initiative to continue, in spite of all the obstacles that rise up before it from more than one party, because it represents the force of a struggle, in the battle of Islam in its political movement against all forces of arrogance and tyranny, to bring out every reality in which some people are trying to conceal their true positions which thwart every summit."

He considered, "The obstacles that are obstructing the initiative may be summarized by the local, regional and international policies which are working to deprive the Islamic Republic from realizing any political victory in Lebanon."

He concluded by saying, "We hope that the Islamic Republic will not respond to all the statements that declare the failure of the initiative or request it to declare that, and we call on all Islamic forces and all the forces of freedom, Palestinian and Lebanese, to be serious in their positive movement with this initiative, because it is the one which will preserve the stage for all and will seek to prevent the structure from falling on everyone's heads."

Tarad

Shaykh Hasan Tarad called on President Khamene'i to "review the decree eliminating the just Iranian Islamic initiative, which has taken positive, constructive steps on the road to success through its suspension of the blood-letting."

The Islamic Society

The Islamic Society issued a statement in which it asserted its rejection of the continuation of the war and its development into a diversion and winning card for recording political or military gains for one side or another. The statement said,

"We reject all attempts at launching this war so that it will become a fait accompli which there will be no room to contain and remedy. Therefore, we demand all the parties concerned to respond to the Islamic initiative on grounds that it is the political thesis closest to a comprehensive resolution of the problem of the camps and the organization of fraternal relations between the Lebanese and Palestinians."



## The Grouping of Moslem Learned Men

The Grouping of Moslem Learned Men sent a cable to the president of the Islamic Republic calling for the continuation of the initiative. Among the contents of its cable was:

"Now that the Moslems in Lebanon have all sensed the positive nature of the honorable initiative and the great efforts the Islamic Republic in Iran has exerted, we can only approach your grace with great hope and the desire that you will give your auspicious directives to the brother officials who are assigned to follow up on the Islamic initiative, which has the goal of putting a limit on the divisive war of the camps, by continuing work to make a success of this initiative, for which there is no alternative and besides which there is no option, no matter what the circumstances and obstacles might be."

Shams-al-Din

In the cable his grace the learned man Shaykh Muhammad Mahdi Shams-al-Din sent to Mr Khamene'i, it was stated: "We hope that the Islamic Republic of Iran will continue in its initiative regarding the problem of the Palestinian camps and their surroundings in Lebanon. This honorable initiative has realized tangible results and is the object of the support of most parties. We repeat the expression of our appreciation of the efforts the Islamic republic is exerting in this regard and other matters connected to the pride and dignity of the Moslems."

Sha'ban

Shaykh Sa'id Sha'ban made a statement in which he urged the Islamic Republic to continue its good efforts for the sake of stopping the bloodshed, not to halt its efforts, to continue its initiative, which is considered the great hope on which we attach the end of this war that is underway, which is destructive of the Islamic forces that must become united to confront Israel for the sake of liberation of the occupied territory, the south of Lebanon, and to continue support for the Islamic resistance so that it will be able to attract the Palestinian people to take part in this resistance, which has given the Moslems prestige for the first time in the history of the war with the Jews.

He addressed himself to officials in the Islamic Republic with the statement, "Do not abandon your efforts, out of mercy for the people of Palestine and Lebanon, who are your brothers. Who will strive for peace if you abandon this legitimate affair? We renew our plea and our hope in you is great. You have dedicated yourselves to the support of the downtrodden peoples; what about us, in Lebanon, as everyone is taking part in draining our blood? The honor of this initiative lies on you, and we are all your assistants."

The Camps

In backing for the Islamic initiative and out of support for its continuation, all the Palestinian camps in the south and Beirut sent cables and

issued statements which were characterized as influential, especially since they were all signed in the name of the people of the camps.

The masses of al-Rashidiyah camp and the people's committees in the camps of Tyre sent an appeal to Imam Khomeyni in which they spoke of "their appreciation of the efforts which he had exerted to stop the war of the camps and stop the shedding of the blood of Moslems."

The appeal added, "We can only stress our appreciation of the great attention you have devoted through the presence of Mr Isa Tabataba'i and Shaykh Makram al-'Arifi among our people. We urge you to continue with your efforts until attainment of a comprehensive, stable solution to the war of the camps, a halt to the bloodletting in the ranks of the Moslems and the unification of rifles directed at the Zionist enemy and his agents. We urge you to continue with the honorable initiative which you have offered, and we assert our support for the Iranian plan and our commitment to act in accordance with it, as had been agreed with regard to the sections of the agreement and the instrument of execution of the plan. We are confident in your ability and wise directives to respond to our appeal, as you are among those who have stood up and supported the Palestinian people in their just legitimate struggle against the great satan and its Zionist entity in the region."

The al-Shabriha and al-Burghuliyah camps sent cables of support, one of which contained a striking passage describing the Palestinian situation. The people's committees in the Shatila and al-Burj camps and their families also sent a cable to Mr Khamene'i in which they called on him to "continue with the Iranian initiative until total application."

#### The Grouping of Learned Men

The Grouping of Moslem Learned Men in the al-Biqa' paused to consider the statement our brother Hoseyn Sheykholeslam gave, and had the following view:

"First, the Islamic initiative to end the war of the camps proceeds from a comprehensive objective view of the Moslems' higher interests and includes the continuation of the struggle against the enemy.

"Second, our brothers and sons in the AMAL movement must carry out their undertaking, which they swore to themselves before the Islamic Republic, to break up the blockade of the al-Rashidiyah camp, out of commitment to God's law.

"Third, the parties to the struggle must be seriously and effectively bound to the sections of the Islamic initiative, relinquish techniques of dilution and manipulation and decide upon a cease fire in a comprehensive, complete manner and the execution of the Palestinian withdrawal.

"Fourth, the failure to respond to the sections of the initiative will make the parties to the war of the camps bear the responsibility for the decline of conditions in the future and their deterioration in favor of the political circles abroad which are putting pressure on some domestic groupings for the sake of obstructing the initiative and putting obstacles in its way."

## A Meeting and Cable

In the wake of the meeting between the Palestine National Salvation Front, FATAH-Revolutionary Council and the Democratic Front in the south and the learned brothers at the home of Shaykh Mahir Hammud, the people who met sent an urgent cable to our brother Hoseyn Sheykholeslam in which they asked him "to relinquish the decision bearing on the suspension of the Iranian initiative, in harmony with the political efforts being exerted by all the parties concerned."

In addition, the committee of learned men which grew out of the meeting in Tyre visited the embassy of the Islamic Republic in Beirut and met with Hojjatoleslam Akhtari, the Islamic Republic's ambassador to Syria, and the chairman of the mediation committee, the Iranian assistant foreign minister brother Hoseyn Sheykholeslam, and acquainted him with the learned men's activity in the direction of breaking up the blockade of the al-Rashidiyah camp. It insisted to him that he patiently follow through with his efforts until the total elimination of the war of dissension. The learned men asked Mr Khamene'i, the president of the Islamic Republic, and the Ministry of Foreign Affairs in Tehran to have our brother Sheykholeslam continue to follow along the road of the honorable initiative until complete success. The learned men asked "all parties to the struggle and everyone who has the ability to help to respond to the Islamic Republic through a breakup of the blockade, the withdrawal of the Palestinian Moslems from Maghdushah and eastern Sidon to the camps and the start of discussions to resolve all problems in the war of dissension."

## The Palestinian Scholars of Religion

The Council for the Observation of Religious Affairs of the Palestinian Scholars of Religion sent a cable to the embassy of the Islamic Republic in Beirut. In the cable it was stated:

"After a study of the general situation in the war of the camps and the attempts to obstruct it which the honorable Iranian initiative had come up against, and after the great effort it had exerted to revive the Moslems:

"We ask our brother Hoseyn Sheykholeslam and the brothers in the Islamic Republic to continue the honorable initiative and not to end it, because there is no alternative to it among all parties. We insistently ask all fighting men to respond to it because it is the last opportunity for all to bring about a revitalization. We appeal to them for a breakup of the blockade on al-Rashidiyah and the other camps, a withdrawal from Maghdushah and a session to organize Palestinian-Lebanese relations under the shelter of the honorable Iranian initiative."

## The Al-Biqa': A Parade and Cables

The al-Biqa' witnessed concentrated activities in support of the Iranian Islamic initiative. The most prominent was the teeming parade the Hizballah organized and called for last Sunday, which set out from the mosque of Imam 'Ali (on whom be peace) in Ba'labakk and passed through the main streets,

led by learned men and brother fighting men. The people taking part raised slogans, among them "The Islamic initiative is a raft of salvation from dissension, ordeals and civil wars." They also repeated cries calling for a halt to the war of the camps.

The parade ended at the square of Imam Khomeyni (formerly al-Saray), where a speaking festival was held in which our brother Abu Salim read a number of cables sent to the president of the Islamic Republic, Hojjatoleslam Ali Khamene'i.

Abu Hisham

In the cable our brother the fighting man Mr Husayn al-Musawi sent, it was stated "The magnitude of the conspiracy against Islam and the Moslems in our region, in which we consider the war of the camps to be a destructive link, causes us to direct ourselves to you in the name of the Moslems and the downtrodden in Lebanon, urging the leadership of the Islamic revolution to continue its honorable initiative."

Our brother Abu Hisham considered that leaving the Moslems alone would embolden their enemies who were resentful of them and weaken their Islamic resistance, which would not have realized so many great victories had it not been for the support and backing of the Islamic revolution under the leadership and blessing of the imam of the nation, the great Mr Khomeyni.

Two cables were read which were sent by the religious community of the awaited imam (peace be upon him) and the Grouping of the Moslem Learned Men in the al-Biq'a'.

Qublan

The excellent Ja'fari mufti Shaykh 'Abd-al-Amir Qublan expressed his support for the Islamic Republic's initiative regarding the termination of the war of the camps.

In a statement to ISLAMIC REPUBLIC NEWS AGENCY, Beirut office, he said "The Iranian Islamic plan has put a great limit on the fighting and had made the fighting men direct themselves in the proper manner toward this honorable turning point on the part of the Islamic Republic. In our opinion it is the first of its kind, has put a limit on everyone who engages in sectarian and factional activity, has put the factionalists in a state of isolation and has removed them from many of the positions through which they have moved to spread sectarian and factional dissension."

He asked the brothers in the embassy and the representatives of the Islamic Republic to continue with this work and made the appeal that despair not seize them; indeed, the response will be their ally and many complexes will be resolved by their hand.

He asked them to extend the period and continue with this work, because their brothers in the AMAL movement were most prepared to respond and work seriously and constructively to advise the hojjatoleslam and leader of the



Moslems, the president of the Islamic Republic and all the officials in beloved Iran.

Mustafa Sa'd

The secretary general of the Nasirist people's organization, Mr Mustafa Sa'd, made a statement to the ISLAMIC REPUBLIC NEWS AGENCY in which he asserted "All the parties of the struggle in the war of the camps are committed to the Iranian plan," said "the responsibility for the failure to withdraw from Maghdushah is borne by 'Arafat's group" and added, "All the Palestinian parties, including the Democratic Front for the Liberation of Palestine, are committed to the cease fire and the withdrawal from Maghdushah."

Sa'd asked the Kingdom of Saudi Arabia to put pressure on 'Arafat not to place obstacles in the way of this honorable initiative.

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## PALESTINIAN AFFAIRS

### CONDITIONS IN AL-JALIL REFUGEE CAMP

Nicosia FALASTIN AL-THAWRAH in Arabic 22 Nov 86 pp 15-17

[Article: "The People's Lives: Al-Jalil Camp in al-Biqa' Has 5,000 Persons, 850 Families from the Villages of Galilee; Our Conditions Are Like Those of Our People; What Was the Barracks of French Gen Wavell Became a Palestinian Camp; Camp Has no Water, no Electricity, Poor Medical and Educational Conditions"]

[Text] Actual conditions in al-Jalil Palestinian camp, which is located in the middle of Lebanon's al-Biqa' Valley, are not much different from those of Palestinian camps all over Lebanon. People worry and suffer; [but] their will is firm and they are determined. They are also patient: they have faith in the invariable principles of the cause and in the persistent struggle, even in relative silence, to defend the Palestinian gun.

Al-Jalil Camp is located halfway between Beirut and Damascus. Those who live in that camp take every precaution when dealing with a variety of subjects or expressing attitudes. They support the legitimization of the PLO and the organization's right to make independent decisions. They support the PLO's right to use weapons in the fight to defend the Palestinian cause and revolution in Beirut's camps and in the confrontation with Israel. At the same time, however, camp residents are very concerned about living in harmony, peace and fraternity in their Ba'labakk environment. So they endure every injustice, restriction, or negligence as they wait for any assistance to come their way, after the PLO's departure from Beirut. Such assistance might help them overcome their numerous problems which are manifested in the camp's crowded and narrow alleys.

#### (Wievel's) Barracks

It is worth noting here that no more than 5,000 persons live in al-Jalil Camp. According to the census taken by the camp's people's committee and the UNRWA those 5,000 persons are members of approximately 850 families living in an area that is no more than 48 donums. A visitor to the camp notices that people are crowded in one building that consists of four floors. That building, which used to be the barracks for the French army, was called the Wavell barracks after the commander of that French post at that time. The building, which consisted of warehouses, stables and their annexes on the ground floor and dormitories for soldiers on the other floors, has no sanitation facilities and no bathrooms. The building was acquired by UNRWA and was occupied by displaced Palestinians for

many years since 1948, but in the seventies people started living in the area around the building, that is, inside the wall surrounding the building. That wall is adjacent to the main Ba'labakk-Beirut Road. Tin huts and shacks began to emerge as a result of the increase in population. The situation remains unchanged. The number of tin huts around the community bathrooms is growing, and conditions there are difficult--as far as the climate is concerned--harsh and unsanitary. UN and UNRWA flags can be seen amidst these tin huts; they mark the locations of offices of the Refugee Assistance Agency and its establishments or schools. These UN offices represent one third the area of the camp.

#### The People's Committee

Mr Abu Isma'il, a member of the camp's People's Committee talks about the housing crisis which camp residents are suffering from. He says, "The camp has a dreadful and chronic housing crisis. It is known that the largest dwelling in the camp consists of two rooms. The rest have one room. Most of the dwellings in the camp lack the simplest, appropriate sanitary conditions for human dwellings. Most have no kitchens or bathrooms and are occupied by more than five or six individuals. It is that which creates harsh psychological and social conditions within the principal Palestinian community in al-Biqa' Valley. In addition, there is a well-known Palestinian presence in the areas of Bar Ilyas and Sa'd Nayil."

Abu Isma'il added, "Proponents of one opinion hold they are waiting for the outcome of some contacts with the PLO to deal with the housing crisis. Land which had been purchased by the PLO in the late seventies to expand the area of the camp and build sanitary, new homes on it could be used for that purpose. That would have been the PLO's contribution to correcting the housing crisis. However, as a result of circumstances that arose after Israel's invasion in June 1982, the People's Committee found itself unable to solve the housing problem in al-Jalil Camp because a solution would require the construction of homes and large financial resources."

The member of the People's Committee went on to say, "There are various people living in the camp, and they come from villages in the Galilee, which are Faradah, Lubiyah and Sa'sa'. There are other families from Palestinian villages in the Galilee."

He said, "It must be said that numerous attempts were made to solve the housing crisis, particularly by the UNRWA, but these attempts ran into several obstacles because they tried to offer partial solutions to the problem. Sometimes they attempted to solve an individual problem, and that created a state of chaos. The agency had sent a committee of engineers to study the situation, but the people stopped their work because what is required is a comprehensive solution, not individual or partial solutions."

#### The Water and Power Shortage

During our tour we noticed that a crowd of people had gathered around a UNRWA truck. They were carrying containers to carry water to their homes. When we asked one of them why there was such a crowd, he said, "It's simple. Each one is trying to get the water he needs. We have no water: not only are the wells dry

because there was no snowfall last winter, but also the water system inside the camp is not usable. In addition, power is interrupted either because of rationing or because there is a general power failure in the area due to general conditions. In addition, power is also interrupted when the transformer blows up because of heavy demand. There is one transformer for 850 homes, but one transformer is hardly enough to meet the needs of half the people who live in the camp. That is why the camp is dark most days of the year. In addition, the lack of power means that water wells in the camp cannot be utilized."

Mr Abu Husayn added, "The water problem is an old one. The PLO had drilled three artesian wells to meet the water shortage and provide water for camp residents. That would be in addition to the water provided to the area, including the camp, by the Ba'labakk Water Company. Approximately 350,000 liters of water were pumped from the wells daily. That is a rate of 60 liters per person, and that is enough to meet the needs of an individual in any society. But after the wells dried up and water service was interrupted as a result of the lack of snowfall, the amount of water that was available to the camp fell to about 10 liters of water per person a day. Individuals had to do something to overcome the shortage. Water was transported from outside the camp, that is from Ra's al-'Ayn and elsewhere, in tanker trucks, and the cost of that service was borne either by factions of the resistance or by UNRWA. Attempts were also made to drill a new well at UNICEF's expense. These attempts were supervised by the People's Committee and coordinated by UNICEF. But it was useless. All that effort was lost because there was no water, and the shortage still exists."

#### Schools and Education

At the gates of an agency school in the camp we met Abu Husam, a teacher, who talked to us about the reality of education in al-Jalil Camp. He said, "There are three UNRWA schools in the camp, and all three of them are in one building. There is a staff of approximately 40 teachers in those schools where the number of students is over 1,100 in the elementary and preparatory grades. The students go to school in two shifts: the first shift is in the morning, and the second is in the afternoon. That has a negative effect on the students' acquisition of knowledge. This is a general phenomenon in all the camps of our Palestinian people, especially in Lebanon. Every time we go to the agency we are told that its failure to prepare appropriate buildings for students was due to the lack of material resources to build and furnish the necessary schools for students. We must not forget to state here that the agency has deliberately reduced its services to our Palestinian students. It has cut down to half the amount of paper and notebooks it distributes to them. And there is talk today about a new reduction in services this year or the following year, also because of poor financial resources."

The teacher Abu Husam added, "There is also a secondary school in al-Jalil Camp that was built a few years ago by the PLO. It helped solve some of the educational and financial problems of some Lebanese and Palestinian parents. There are more than 300 students in that school, and they are taught by 10 teachers."

Abu Husam called attention to the fact that the People's Committee in al-Jalil Camp goes out of its way in its efforts to reduce the burdens borne by students and their parents. The committee helps them deal with educational problems. "In

that regard the committee has drafted more than one petition and memorandum which were filed with the competent authorities in UNRWA to urge the agency to assume its responsibilities to our students, particularly under the Palestinians' deteriorating economic condition. The People's Committee is urging the agency to help Palestinian students continue their education. It is asking the agency to provide paper and textbooks and to furnish the schools properly with laboratories, references and libraries. So far, however, efforts have not been fruitful."

#### Living Conditions

We met after that with a trade union official in the camp, Mr Abu Haytham. We talked with him about economic and living conditions for residents of al-Jalil Camp. He said, "According to the estimates of the People's Committee, there are approximately 350 Palestinian workers living in the camp. They are employed in the construction sector and in the seasonal farming sector."

Abu Haytham explained, "The work is always outside the camps, and it varies with the agricultural seasons. A worker's pay, which is very little relative to the high cost of living, is 100 or 150 Lebanese pounds a day. Bear in mind that the season is no more than 4 or 5 months a year. A number of Palestinians in al-Jalil Camp also hold different positions in UNRWA, particularly in administration, education and other areas as well. Consequently, the income of a Palestinian family is no more than 2,000 pounds a month, and that is very little relative to the spiraling rise in prices, the high cost of living and the scarcity of sources of revenue. Revenue sources are scarce because private resources are weak and Palestinians living abroad and in the Arabian Gulf are not transferring any funds."

Abu Haytham added, "Union leaders are worried and concerned about these living conditions, this abject poverty, the scarcity of resources and the numerous problems that Palestinian citizens are experiencing. We are always projecting the concerns of this popular class of Palestinians who have no health insurance coverage, who receive no compensation, and who are deprived of all social services. Last year, as a result of security conditions in Beirut's camps, Palestinian workers were unable to go to their places of employment outside the camps, and that intensified their suffering and worsened living and economic conditions. In addition, the agency is reducing its grants, its services and its assistance."

He added, "This situation, in addition to other Palestinian conditions, was reflected on the living conditions of Palestinians in Lebanon's al-Biqat'. Consequently, many young people were forced to immigrate to Denmark, Sweden, West Germany and other European countries. Some immigrated to Arab countries like Libya, which received many physicians and nurses. Meanwhile, unskilled workers went to European countries where scores of families have immigrated, and scores of other families wait for permission to leave for Europe."

He continued, "The immigration of Palestinians is attributed not only to the economic condition but also to prevalent conditions on the Palestinian scene. There is no doubt that reunifying the ranks within the Palestinian scene, reconsidering the PLO's current conditions, and creating unity in the Palestinian



position on crucial issues that are pending would have positive effects on security for Palestinians and on their economic and living conditions, particularly with regard to reviving the role of PLO institutions. At this stage this task is essential and urgent. Restoring the PLO's political unity can also be enough from a moral standpoint to curb immigration."

### The State of Health

In the Martyr Majid Abu Sharar Hospital, which is affiliated with the Palestinian Red Crescent, we met a citizen who is a patient. He refused to give us his name or have his picture taken, but we talked with him about the health problems that residents of al-Jalil camp face. He said, "The hospital lacks medical, technical, nursing and administrative capabilities, and it even lacks drugs. The hospital does not accommodate most of the cases that need treatment." He said, "There is more than one health-related factor and reason why the present building is not suitable. Most surgical procedures are done outside the hospital, in private hospitals. Only minor surgery is done in this hospital."

He said, "In addition, this hospital can never meet the shortage resulting from the insufficient services of UNRWA's clinic in the camp where one health physician, who is on duty at irregular hours, prescribes medication for patients but does not offer them any."

He explained that the hospital had 13 beds located in unsanitary wards, most of which were underground. "These wards are unhealthy chambers which are very damp in winter and very hot in summer. The hospital has a modest pharmacy which lacks most of the basic drugs. There is a small laboratory which carries out less than 60 percent of basic laboratory functions. There is one old X-ray device and one emergency device that lacks the suction needed to stop internal bleeding if a patient should have internal bleeding. No sunlight comes through to the patients' beds and rooms. The operating room in the hospital is suitable for "cold" cases only, such as hemorrhoids, appendicitis, hernia and gall bladder and gland removal operations. There is room for only one surgical procedure in the operating room. Besides, the operating room is not equipped for surgical emergencies, such as road accidents or war injuries. The hospital is also lacking in specialized areas and clinics dealing with bone diseases, diseases of the veins and arteries, gynecology, heart disease, head ailments, eye ailments, etc."

This unidentified patient thought that the health problem could be overcome by having the Crescent Society Hospital reconsider the automation of health services. In addition, an effort must be made to develop medical work, to make popular clinics widespread and to apply pressure to UNRWA to make it carry out its medical responsibilities and expand the range of medical services it offers.

### We Are Fighting with Our People

Mr Abu Haytham, a DFLP official talked with us about the national role of al-Jalil Camp. He said, "We can say that the status of al-Jalil Camp is not much different from that of all camps occupied by our people in Lebanon. During the Israeli invasion in 1982 the camp served as a fundamental base in the background for the forces of the Resistance which had to withdraw from the south, from the

western part of al-Biqa', and from Beirut and Mount Lebanon. The camp then served as an advance command for most of the operations which coincided with the reorganization of the revolutionary forces' ranks. In addition, the camp supervised the preparation of most of the attrition operations and battles that were fought to oppose and resist the invading Israeli troops. By the way, many of the camp's residents lost their lives when they fought against the 1982 invasion and against the Fascist forces during the 1983 Mount Lebanon war. Al-Jalil camp and its residents also played a part in defending the camps. We joined our people in Beirut with the resources that were available to us and helped them in their efforts."

Mr Abu Haytham added, "Despite the atmosphere which prevailed after the war over the camps, al-Jalil camp has been and is striving to ward off the disaster. It has tried to prevent the disaster from being transported to al-Biqa' or elsewhere because that would serve neither the Lebanese cause nor the Palestinian cause. Despite discrepancies in their political positions Palestinian national unity has always been evident [in the camp] between the Palestinian Revolution's factions and the masses. That is how we spared the camp any negative complications."

Mr Abu Haytham concluded by saying, "Yes, there is a general feeling among people that the meetings which Palestinians are holding in Moscow and Prague are a step forward to strengthen and fortify the PLO's power in all areas and at all Arab and international forums. In addition, the effort is being doubled and the conflict is being escalated inside and outside the occupied homeland so that a certain victory can be achieved for Palestinian and Arab rights."

Mr Zayn al-'Abidin Sukkar, member of the command of the Palestinian Communist Party in al-Biqa' said, "There is a popular Palestinian awakening which reminds us of the early signs of the national and patriotic awakening of the sixties. Our evidence for this lies in the actions which our people in the occupied land have been carrying out continuously against the occupation. This proves that neither Israeli occupation authorities nor the Jordanian regime have so far been able to impose their plans on the occupied land. Consequently, our people's insistence that the PLO's representative function is legitimate must be an incentive to Palestinian forces outside the occupied homeland, inducing them to work sincerely for the unity of the Palestinian position around the PLO because the people inside and outside the occupied land want Palestinian national unity."

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KING FAHD INAUGURATES EASTERN PROVINCE PROJECTS

London AL-TADAMUN in Arabic 31 Jan - 6 Feb 87 p 14

[Article: "During His Longest Stay Outside Riyadh Fahd Inaugurates The Most Important Eastern Province Projects"]

[Text] Days before the announcement about the new budget in the Kingdom of Saudi Arabia, King Fahd returned to Riyadh from the Eastern Province where he spent his longest stay since he took over the reins of government in 1982.

The Custodian of the Two Holy Mosques had left Riyadh at the beginning of the summer recess last year, specifically since the beginning of Ramadan, when he went to Ta'if where he spent the first half of the fast. He then left Ta'if for Mecca and stayed there until the second day of 'Id al-Fitr. After that he returned to Ta'if and from there went to Jeddah several times in a period of about a month. About 15 days before the pilgrimage he went to Mecca to supervise the pilgrimage season. After the 'Id al-Adha he took his yearly customary visit to Medina, where he inaugurated a number of projects. He stayed there until the approach of the date of the Gulf Cooperation Council summit meeting in the United Arab Emirates at which time he went directly to Abu Dhabi to participate in the activities of the "Harvest Summit."

From Abu Dhabi King Fahd returned to Riyadh to meet Prince Charles and his wife Princess Diana who made an official visit to Saudi Arabia at the invitation of Crown Prince Abdallah. Then he left Riyadh for Bahrain in his first official visit to an Arab country since he was crowned king of Saudi Arabia on 13 June 1982. That was to participate in the official inauguration of the Saudi Arabia - Bahrain Causeway on 26 November of last year. After that he returned to the Eastern Province where he spent more than a month in which he inaugurated a number of significant and vital projects. Among them was his inauguration of the final stage of the university city in the King Fahd University of Petroleum and Minerals in Dhahran. King Fahd described that it was once an empty land where there were only trees, whereas now it has become a university resembling the greatest universities in the world. The open dialogue that took place between King Fahd and the university students and professors had such far-reaching effects that the Saudi media named it the "Dialogue of Trust."

Preceding this dialogue and inauguration was another appearance of the Custodian of the Two Holy Mosques in al-Kuhbar, where he inaugurated the coastal city of King Fahd in al-'Aziziyah, similar to others to be built in several Saudi cities. It is notable that this resort city's total cost was 2 million riyals. It consists of a covered sports arena for basketball, volleyball, and handball, with room for 200 spectators, administrative offices, a room for referees, the press, radio broadcasting, tennis courts, a wrestling and boxing ring, and squash courts.

The city also contains a cinema, a theater, and a family beach that consists of 50 chalets. Prince Muhammad bin Fahd, governor of the Eastern Province, announced that the Custodian of the Two Holy Mosques agreed to construct a complete building for the Gulf Sports Club in Sayhat.

During the same period he inaugurated the Central Hospital in Qatif that cost 340 million riyals. Subsequently he inaugurated the command and control, communications building at King 'Abd-al-'Aziz Naval Base in Jubayl. The series of new projects in the Eastern Province did not stop with that. On December 23 King Fahd unveiled the curtain on the commemorative plaque of the largest and most modern refinery in the world, the Petromin-Shell refinery of the General Organization for Petroleum and Minerals (Petromin) at the industrial city of Jubayl. Accompanying that was the inauguration of the Aramco Training Center and a purification plant. The energy production of the new giant refinery is 250,000 barrels per day. Its cost of 2 billion dollars was divided between Petromin and Shell Oil. The work on the refinery began in 1979. The refinery is considered one of the most modern refineries in the world because of its equipment and design, as well as its modern electronic equipment.

The city of al-Ihsa' witnessed the last inauguration of important projects, in the housing city of the national guard that contains 2,506 housing units and cost 3 million riyals. This city was built on an area of 4,389 square meters.

With King Fahd's return to Riyadh the book is not closed on the other projects that are being built in various areas of the Kingdom in order to achieve what might be called rapid and remarkable solutions in the development of towns and cities and to provide them with services consistent with the plan to expand these areas instead of crowding them in a congested belt in or around the big cities.

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CSO: 4404/223



## BRIEFS

NAZIR VISITS USSR--Moscow (Agencies)- A high ranking Soviet official praised the role played by Saudi Oil Minister Hisham Nazir in improving international oil prices. His visit to the Soviet Union was greeted with an extensive welcome by Soviet officials headed by Foreign Minister Eduard Shevardnadze. The Saudi minister met with Shevardnadze yesterday and discussed several issues related to the situation in the Middle East and the Gulf. Diplomatic sources mentioned that Shevardnadze confirmed to his Saudi guest his country's seriousness about withdrawing its troops from Afghanistan. Despite Nazir's refusal to give any statements on the outcome of his meeting with Soviet Foreign Trade Minister Boris Aristoff, diplomatic sources confirmed that the Soviets welcome Nazir's mission which aims to convince the oil-producing nations outside OPEC to lower their production. In a reception held in honor of the Saudi minister, Deputy Foreign Minister Victor Kombulektov expressed his support for the new oil policies of OPEC, his appreciation of Nazir's contribution toward the crystallization these policies, and confirmed that Moscow benefits from an improvement in oil prices. A Soviet Foreign Ministry spokesman mentioned that his country relation's with Riyadh were, normal, even though they are not normalized because of the absence of diplomatic exchange. [Text] [Abu Dhabi AL-ITTIHAD in Arabic 21 Jan 87 p 1] 13013

NAZIR'S USSR VISIT DEEMED SUCCESSFUL--Informed sources in the Saudi capital described the prompt agreement of the Soviet Union to reduce its oil exports by 7 percent as a big step for Saudi Arabia. Minister of Petroleum and Minerals Hisham Nazir undertook the visit to the Soviet Union, the first official visit of a senior Saudi official, as part of his tour that included Egypt and Norway. He was successful in convincing the countries he visited that do not enjoy membership in OPEC, to lower their production of oil, in keeping with the latest OPEC decision to raise oil prices. Nazir also visited Britain, which had not announced a specific position on the lowering of its production. According to the source himself, it appears that Nazir's discussions in the Soviet Union were not confined to a discussion of oil matters. Rather they covered other crucial issues which were discussed with Soviet Prime Minister Nikolay Ryzhkov and Foreign Minister Eduard Shevardnadze. Even though sources for both sides kept silent about the topics that were not related to oil but were discussed by the Saudi minister and Soviet officials, that does not mean that Hisham Nazir did not present the Saudi point of view on a number of issues such as the Afgan question regarding which Saudi Arabia has a clear and firm policy. [Text] [London AL-TADAMUN in Arabic 31 Jan - 6 Feb 87 P 8] 13013

AL-AHMAR SPEECH TO LEBANESE COMMUNISTS

PM190901 Damascus AL-BA'TH in Arabic 5 Feb 87 pp 2, 3

[Speech by 'Abdallah al-Ahmar, assistant secretary general of the Ba'th Party, at Lebanese Communist Party conference in Al-Shuf, Lebanon, 3 February]

[Excerpts] Comrades, we have attentively listened to the important report delivered by Lebanese Communist Party Secretary General Comrade George Hawi, which summed up a period of long suffering. The party, the nationalist movement, and the people have struggled and still are struggling for the causes of Lebanese, Arab, and world liberation. We have viewed the positive and negative aspects of the situation over recent year. The outcome is that the Lebanese Communist Party and the Lebanese nationalist forces are moving forward in their struggle to achieve their objectives.

We cannot ignore the importance of this conference and the role adopted by the Lebanese Communist Party within the framework of the Lebanese national movement. We also cannot ignore the circumstances in which this conference is being held, namely the escalation of the conflict between our Arab nation and our enemy, Zionism, whose bases are Israel, U.S. imperialism, and other forces allied with them. To us as Arabs, this conflict was and still is the prime conflict to which our existence and destiny on this Arab land are linked.

Comrades, the distinctive nature of this conflict prompts us as Arabs to consider current realities and developments in both the Lebanese and Arab arenas, as well as the world arena, because it is impossible for us to participate in the causes of others and the causes of peoples with whom we have close relations, like world liberation movements, unless we are able to resolve the conflict with our enemy. This will undoubtedly depend upon our capabilities and future developments. For instance, when the fighting broke out the situation was that on the one hand the Lebanese people were suffering, but some suffered more than others, and so they felt unequal because of hegemony and domination. Attempts were also made to impose hegemony and domination through fascist methods at certain stages. There was no readiness to change this situation democratically. On the other hand this conflict was linked to both the national position and the principal conflict in the region.

The Lebanese people with their struggling and fighting forces rejected occupation and, together with their principal backer, Syria, resisted it from the beginning by confrontation in order to stop and thwart this invasion and to launch national resistance to remove the enemy and liberate every inch of Lebanese territories from the Zionists and their agents. That is how the march from the mountain, from Beirut, from Sidon, and from other villages in the south began. Most of the south has been liberated from occupation and what now remains is just a border strip which the Zionist occupation forces and their agents are still trying to cross in order to restore their hegemony and invade the territories they used to occupy. They did not think that they would be forced to withdraw from them, but indeed their withdrawal was in reality a complete shock to the Zionist entity and its army.

The Lebanese national resistance fighter has proved that he represents the contemporary Arab man. The Lebanese nationalist resistance had an impact not only in the Lebanese arena but in the Arab arena as well because it did not only destroy the occupation forces, inflict heavy daily losses on them, and force them to withdraw from the sacred Lebanese territories. It also at the same time besieged the enemies, the Camp David stands and regimes, and the forces supporting them, namely the United States, Israel, their agents, and collaborators. The more the nationalist resistance succeeded, the more plots were hatched to fragment the Lebanese nationalist ranks.

Syria wants a united Lebanon and united Lebanese people. Lebanon belongs to the Arabs as much as Arabs belong to Lebanon. Syria remains as always Lebanon's bridge because Syria has the strongest ties with Lebanon and does not want to impose a solution on anyone there. It also does not want to be a substitute for the Lebanese themselves but in fact stands by their side supporting and backing them in order to liberate Lebanon from the Israeli occupation so that it can return free, unified, united, and Arab-affiliated.

Brothers, conference delegates, Syria proved this more than once when it confronted the Zionist invasion of Lebanon. The Syrian Army made sacrifices in that battle greater than those it made during the October war itself. This stemmed from a pan-Arab motive which has driven and still drives Syria, the Syrian people, and the Ba'thists in all the Arab territories. Syria has, right from the beginning, backed and supported the nationalist resistance when enemies of Lebanon and Arabs tried to besiege, destroy, and stop the Lebanese national resistance and deny it everything. In fact, they tried to deny the south, which protects the resistance, its bread supply. During that period Syria provided all it could, thus enabling the resistance to continue. The voice of the resistance will continue to be heard until the last inch of occupied Lebanese and Arab territory is liberated from Zionist occupation forces and their agents.

In continuation of this support, a higher popular committee was formed a week ago to reinforce the steadfastness of southern Lebanon and the Lebanese nationalist resistance. This committee has actually begun taking steps to announce a week of support in Syria to enable the Syrian people to prove

once again that they, with all that they possess and all that they can provide--in addition to arms--are willing to offer unlimited finance so that the resistance and the Lebanese people can achieve victory.

Here I would like to remind you that over 6 months ago the Arab League adopted a decision committing all Arab states to back the Lebanese nationalist resistance. All the league member states demanded that measures be taken to increase support inside the countries themselves. Months have passed but so far no voice has been heard. I hope that the new voice of Syria will push our brothers toward fulfilling their duty in supporting the Lebanese nationalist resistance because it is not only defending the nationalists and the Lebanese people but it is also, like Syria, defending the dignity of Arabs, wherever they may be.

We as a nation cannot participate with others in the peace process until we remove this occupation and until we are capable of defending ourselves. We are a peace-loving nation and we are not responsible for what is happening in our region. We did not start the war against anyone; the Zionists started it. They committed aggressive acts and are still continuing to do so. The Americans are committed to Israel's aggression; indeed, their policy is an embodiment of Israel's comprehensive policy in the field. All forces should form an alliance in order to confront the U.S. Administration, which is trying to harm and enslave the Arabs. The U.S. Administration first supports Israel and then creates an atmosphere that encourages its aggressive and expansionist inclinations.

Brothers, this duty first and foremost calls for cohesion among the forces confronting the enemy in the struggle arena, especially now that Egypt has been taken out of the confrontation arena to join the Israeli and U.S. ranks. Our task is to achieve unity of forces which are in direct confrontation with the enemy, namely Syria and the forces fighting in the Lebanese arena, that is, the Lebanese nationalist forces and the Palestinian nationalist forces which consider the battlefield the base of their struggle to return to Palestine and establish an independent state. Cohesion has to be the base among these forces. There should also be a wider and more comprehensive cohesion, a broader cohesion of all progressive nationalist forces and pan-Arab forces rallying around this base in order to reinforce and strengthen it. We must work together in order to restore to Arab solidarity its real effectiveness, which since 1970 has resulted in Arab solidarity against Israel's aggression, against reconciliation with Israel, and also against surrendering to Israel. Arab solidarity has to be a solidarity confronting all those who support Israel, foremost among them the United States. This solidarity can unite all Arab forces without exception and only those who accept capitulation would abandon it.

The Iraq-Iran war, which our party and the Syrian people have condemned ever since it broke out, is an oppressive war and has merely contributed to exhausting Arab and Muslim forces which could have confronted Zionism and imperialism following the fall of their agent the shah in Iran. The continuation of this war only creates more tragedies, pain, and attrition. Syria's efforts



have always been based on its view of the dangers this war poses. If these efforts have failed to bring this war to an end, it is because the parties concerned have shown no response. As President Al-Asad said in his speech at the Islamic summit, the objective would have been easy to achieve but it is no longer so now, despite all current efforts. This war must be stopped. If it is not stopped as soon as possible it should at least not be expanded. The solution of this war should be a pan-Arab solution in order to prevent those who started it from achieving their objective of drawing all Arabs into the conflict in order to transform it from an Arab-Israeli conflict into an Arab-Persian conflict, which would mean giving in to what Israel and the United States want.

We must express our sorrow and regret at the abnormal phase which the Palestinian arena is experiencing. This arena, which is the Arabs' base in their struggle against the Israeli enemy, has been weakened by division resulting from the deviation of some Palestinian leaders. Sincere Palestinian and non-Palestinian efforts are still being made to overcome this situation in order to restore Palestinian unity or cohesion to the Palestinian position. This unity must bring together people who are in agreement with the principles based on hostility toward Zionist imperialism and on practical daily efforts to unite all those who are against the United States and Israel and against those who are allied with them. Contradictions will not restore unity. In order to reach such a position, the Palestinian forces, backed by the forces of the Arab national liberation movement, must remain united in their opinion and committed to struggle because the Zionist enemy has not laid down its arms. The enemy's only concern is to impose a comprehensive hegemony and evict our Palestinian brothers remaining in the land so that he can continue his expansionist invasion and realize his greatest dream "from the Euphrates to the Nile."

Although the war has harmful effects, we are forced to enter it in self-defense. If there are peace opportunities, we will work toward them. There cannot be a separate or partial solution or a solution under the Camp David agreements, which met with resistance from our people and nation. The parties behind them want to impose their policies through these agreements. Therefore we adhere to the resolutions of Arab summits as a basis for achieving peace. We also adhere to the UN resolutions as a basis for peace. We adhere to a UN-sponsored international conference involving the Security Council's permanent members as well as the parties to the conflict, including the PLO, as a principal element in achieving peace. We should realize that just by advancing these slogans we will not achieve or approach peace. Without a strategic balance between the forces confronting Israel currently represented by Syria, and Israel itself, we cannot provide a suitable climate in which to force Israel to stop its aggression and respond to the call for peace. Everyone knows that the entire international community has condemned Israel and its aggression and support Arab rights. International resolutions have been issued in this regard.

Brothers, although our conflict is regional, it lies within the framework of international conflicts which imperialism, headed by the Reagan administration,

is today expanding in our Arab region and other parts of the world like Africa and Latin America. There are escalating battles against the heroic Nicaraguan people. In Asia and all over the world conflicts are being stirred up in order to worsen the international situation and impose imperialist hegemony. U.S. imperialism, under the Reagan administration, has made long and dangerous strides in the policy of the arms race and in shifting it to space through the star wars program and the deployment of nuclear weapons, as well as because of its failure to respond to calls for these nuclear weapons to be dismantled in view of the nuclear threat that could wipe out mankind and civilization.

While we are talking about this we should not forget the friendly Soviet Union and the Great October Socialist Revolution. Ever since the emergence of its revolution this friendly country has sided with the struggling peoples and worked toward an international situation in which coexistence would prevail in order to achieve progress and peace everywhere in the world. This revolution and this country are now fulfilling their commitment to peace by proposing many successive initiatives to the United States.

In this connection I must praise the Soviet Union for its full support and backing of our people's and our Arab nation's struggle against our enemy, against Israeli aggression, and against imperialist hegemony. This struggle is a fundamental element in achieving victory. I must stress a formula that has become clear in our minds just as it must have become clear in the minds of the forces of the Arab national liberation movements--that as much as the Arabs on the one hand regard their intrinsic power as the basis and foundation of their struggle to confront Israeli aggression, hegemony, and domination, on the other hand they regard the strong alliance between the Arab nation and its nationalist and liberation forces and the friendly Soviet Union as a strategic framework that is essential to confront the U.S.-based Israeli onslaught. There is no better proof than the fact that the escalation of conflicts among those confronting Israel basically originates from the White House. The latest onslaughts against Libya, then against Lebanon and its people, and currently against Syria were launched on the pretext of combating terrorism and as a result of the U.S. Administration's impatience and anger because its plans foundered against the steadfastness of Syria, Lebanon's nationalist forces, and Arab nationalist forces fighting against aggression and hegemony in general. Therefore the United States is looking for excuses to mobilize fleets and launch attacks. Its campaign against Syria has failed simply because it now realizes that Syria is not such an easy target, that Syria sticks to its principles, and that there is no power on earth capable of forcing Syria to change its political course based on hostility toward imperialism, Zionism and on confronting their plots in order to thwart them.

The adherents and tools of U.S. policy recently attempted to transform the Islamic Conference--which brought together Muslims who, like Arabs, are exposed to oppression and pressure by Israel, U.S. imperialism, and others, in order to discuss their problems as they did in the past--into an arena for the U.S. Administration to impose, through its tools, hegemony over anyone who confronts them in the Arab world and the Middle East in general. But

the situation was turned upside down. They made all necessary efforts, U.S. envoys were mobilized, contacts were made among their tools everywhere, and small disputes occurred here and there.

But the voice of truth at the conference was represented personally by the fighter Comrade Hafiz al-Asad in his splendid speech, which was an embodiment of the hopes of the entire Arab and Islamic nations. He has put matters in their true perspective, on both the Arab and international levels. He also clarified issues. This arena, from which they expected support, turned into a court judging the U.S. policy and its tools. They know that struggle will never vanish from this part of the Arab world as long as acts of aggression are committed by Israel, and as long as there is hegemony or an attempt to impose hegemony over Syria or the Arab nation.

Syria will remain with you, by your side, as it did in the past, because your interests are its interests. We will work together to achieve our objectives, liberate and salvage Lebanon, and restore our occupied Arab territories and the legitimate rights of the Palestinian people, especially their right to self-determination and establishment of their independent state. We will work together to achieve unity and progress and lay the foundations of peace in our Arab territories, which will become the base for our participation in the struggle for world peace. I thank you for the opportunity to be with you and wish your conference success in achieving its objectives. May peace be with you.

/6662

CSO: 4400/154

## CENTER TO PROMOTE TRADE WITH SOVIET UNION OPENS

Madras THE HINDU in English 28 Jan 87 p 9

[Text]

NEW DELHI, Jan. 27.

Inaugurating the Indo-Soviet investment Centre here today, the Union Industry Minister, Mr. J. Vengala Rao, hoped that it would help establish enterprises which would promote the transfer of technology and augment trade between the two countries.

It is expected that trade between India and the Soviet Union will increase by 250 per cent over the current level by the beginning of the Eighth Plan. The new centre is expected to make a big contribution to this increase in turnover.

Presiding over the function, Mr. P. R. Dasmunshi, Union Minister of State for Commerce, said the launching of the centre was a milestone in Indo-USSR relations. The centre would play an important role in supplementing trade exchanges with other forms of cooperation including joint venture, collaboration and investment in production and cooperation in services between the two countries.

**Diversification of exports:** The Indo-Soviet trade plan for 1987, he said, would ensure the diversification of exports to the USSR and maximise the import and export of machinery. Several new items were added to the list of imports from the USSR. These new items are coking coal, soda-ash, PVC, antimony, kraft paper, raw hides, synthetic textile fibres and wood pulp.

Provision was made for the import of oil, fertilizers, steel products and non-ferrous metals from the Soviet Union.

More than 110 machines for the garment and hosiery industry had been placed in open general licence for import and duty concessions were being allowed for the import of project type capital machinery.

Mr. Dasmunshi hoped that the new centre would promote awareness of possibilities and prospects on both sides by disseminating information and identifying existing investment opportunities.

Mr. Vengala Rao said the Soviet authorities had given the Indo-USSR Chamber of Commerce 500 to 600 joint ventures and technology transfers. There was scope for the private sector, the small and the medium-scale sectors for technology transfers. The opening of the centre was in furtherance of the agreement signed by the Prime Minister, Mr. Rajiv Gandhi, and the Soviet leader, Mr. Mikhail Gorbachev, for strengthening the friendship between the two countries.

PTI and UNI report:

**New look to export zones:** Mr. Dasmunshi said the Government proposed to give a new look and shape to the 100 per cent export zones. Work in that connection would be completed before the presentation of the Union Budget for 1987-88. India offered tremendous scope for setting up of 100 per cent export production units in a number of fields.

Mr. M. Dubey, secretary in the External Affairs Ministry, said but for the Soviet help, especially in building up public sector, the country might not have been able to retain its economic independence.

/9274

CSO, 4600/1449



## ANALYST ON EFFORTS TOWARD SRI LANKA SETTLEMENT

## Meeting With Sri Lanka Envoy

Madras THE HINDU in English 28 Jan 87 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 27.

The Sri Lankan High Commissioner, Mr. Bernard Tilakratna, met the two Ministers of State, Mr. K. Natwar Singh and Mr. P. Chidambaram, today with some further clarifications assuring them that Sri Lanka stood by the December 19 proposal to detach the Sinhala-majority areas of the Anparal district from the Eastern province.

The assurance has been given to enable the Indian mediators to persuade the Tamil militants, especially the LTTE leaders, to agree to the broad understanding reached on December 19 during the last round of talks in Colombo that the two Indian Ministers of State had with the Sri Lankan President, Mr. J. R. Jayewardene, on this crucial question as a basis for detailed discussions on the degree of devolution.

The Sri Lankan President had agreed in principle to the creation of two separate Tamil-majority provinces in the North and the East with some institutional links like a common high court, planning machinery and economic co-operation without merging the two with a single linguistic region.

An official spokesman said the talks the two Ministers of State had with the Sri Lankan High Commissioner today were aimed at getting the negotiating process restarted by evolving a mutually acceptable basis for it. In other words, the Indian mediators wanted to pin down Sri Lanka to the December 19 proposal, before urging the Tamil militants to agree to it.

**Madras trip next week:** The two Ministers of State will be visiting Madras next week to apprise the Tamil Nadu Chief Minister, Mr. M. G. Ramachandran, about the extent to which the Sri Lankan Government stands committed to the December 19 proposal, before meeting the Tamil militants for follow-up discussions. The

Indian mediators have been in touch with the LTTE leader, Mr. V. Prabhakaran, in Jaffna.

But an essential prelude to any worthwhile discussions is that the Sri Lankan Government has to be persuaded to abandon its fuel embargo and the LTTE urged not to resort to any provocative steps pending the resumption of negotiations. The Indian mediators are pressing for the necessary assurances from both sides before moving forward to the question of when and where the two sides should be brought together to discuss directly the details of the devolution package.

Amidst its other preoccupations, the Government of India has not been able to give the same sort of priority to the Sri Lankan problem as it did in the past. But it does not want this issue to be relegated into the background to the point of giving the impression that India is no longer interested in it.

So it is taking steps to get the negotiating process into stride again, hoping that the Sri Lankan Government and the Tamil militants would realise sooner than later that there is no alternative to a peaceful settlement of this ethnic conflict. And it is also making appropriate moves to assure both sides that India's good offices are still open to them.

### Three-Point Proposition

Madras THE HINDU in English 8 Feb 87 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Feb. 7.

The Government of India is urging the Sri Lankan President, Mr. J. R. Jayewardene, to declare publicly, in an unequivocal manner as early as possible, that he stands by the December 19 proposal for retaining the Eastern Province as a Tamil majority area after slicing off the predominantly Sinhala segments in Amparai district from it.

If he makes such a declaration, followed by a termination of the economic blockade of the Jaffna peninsula and a suspension of the military operations both in the Northern and Eastern provinces, India will get in touch with the Tamil militants and prevail on them to accept the December 19 proposal as a good basis for a negotiated settlement of the island's ethnic conflict.

The Indian High Commissioner to Sri Lanka, Mr. J. N. Dixit, has returned to Colombo with instructions to seek an early appointment with Mr. Jayewardene and place this three-point proposition. Simultaneously, the Sri Lankan High Commissioner, Mr. Bernard Tilakratne, was called by the Minister of State for External Affairs, Mr. K. Natwar Singh, and asked to communicate the same message to his Government.

The general expectation in Delhi is that Mr. Jayewardene would respond to the Indian plea for a fresh reiteration of his commitment to the December 19 proposal with some reservations to retain the right to reinterpret it in the light of subsequent developments. But he is not likely to agree to a unilateral suspension of the economic blockade and discontinuance of the military operations, without some "countervailing assurances" from the militants to desist from any activity aimed at upsetting the de facto position.

But an influential section of Mr. Jayewardene's own Cabinet, led by the Minister for National Security, Mr. Lalith Athulathmudali, not to speak of the Buddhist clergy and the Opposition leaders like Mrs. Sirimavo Bandaranaike, is bound to oppose the December 19 proposal because the Trincomalee port would be located in the Tamil majority Eastern Province. It is partly for this reason that Mr. Jayewardene has been shifting his stand frequently on this proposal by insisting in effect that if the Government of India is able to persuade or pressure the Tamil militants, especially the LTTE leaders, to accept this proposal, he would be in a stronger position to mobilise support for it from Sinhala and Muslim sections of the population.

Though it has once again resorted to army action in a futile bid to crush the Tamil insurgency, the Sri Lankan Government knows that there can be no military solution to what is essentially a political problem. It is for this reason that Mr. Jayewardene keeps on groping for new approaches with the help of India's good offices, without in any way weakening his own bargaining position.

But unfortunately this Sri Lanka ambivalence is matched by the deplorable lack of clarity in the approach of the Indian mediators, who are conditioned to thinking in terms of patchwork solutions to get over this awkward ethnic problem.

In the prevailing atmosphere in Delhi with nobody of any consequence in full command of India's Sri Lankan policy, the Indian mediators have opted for the softer course of putting the ball back in Mr. Jayewardene's court and biding for time. They maintain little or no contact at all with the Tamil militants, especially the LTTE leader, Mr. V. Prabhakaran.

/9274

CSO: 4600/1449

## PAPERS REPORT OUTCOME OF AFRICA FUND MEETING

## Appeal Issued

Calcutta THE STATESMAN in English 26 Jan 87 pp 1, 9

[Text]

NEW DELHI, Jan. 25.—The Africa Fund summit, comprising nine nations, today appealed to the world community to contribute generously to the Fund to help the frontline States reduce their dependence on South Africa.

In their appeal, the leaders of the nine nations said: "We appeal to the universal conscience for urgent, concerted and resolute action for the complete dismantling of apartheid. We call upon all nations of the world, international financial and other organizations, non-Government organizations and individuals to contribute generously to the Fund, in demonstration of their unflinching solidarity with the struggle against apartheid".

The leaders, from India, Zambia, Zimbabwe, Algeria, Argentina, Congo, Nigeria, Peru and Yugoslavia, pointed out that the Pretoria regime had intensified its campaign of intimidation, blackmail, destabilization, economic disruption and even blatant military aggression against the frontline States, to subject them to its political and economic domination.

Underlining the world's moral responsibility to ensure that apartheid was eradicated, the appeal said: "Till that happens, and to facilitate that end, let us extend all possible material support to those bearing the brunt of its tyranny and terror."

Nine countries of the Non-Aligned Movement took the first major step to help the frontline States and isolate the Pretoria regime by launching the Africa Fund here today with an initial contribution of \$20 million. The State Bank of India is to be the banker for the Fund.

Lending a touching note to the concluding session of the Fund

Committee, was the announcement by the Prime Minister that the first contribution to the fund, Rs 150, had come from a collection made by Hemanth Shameen, schoolboy from Vellore. To this, Mr Gandhi announced, was added India's own contribution of \$40 million.

## APPROVAL

At the end of their two-day meeting, the committee had given their approval to the plan of action for the Africa Fund, to the rules of procedure for management and operation of the Fund, and to an appeal to the world community to join in the task of toppling the Pretoria regime.

While the outcome of the meeting was appreciated, there were words of caution about the task ahead. "The battle has only just begun", Mr Robert Mugabe, President of Zimbabwe, and chairman of NAM said. The Peruvian President, Mr Alan Garcia Perez, voiced his concern over the actions of the world's rich nations. Mr Sinan Hasani, President of Yugoslavia, hoped that Western nations, the international community, and individuals would come forward to contribute generously to the Fund.

That the task ahead was an uphill one was clearly brought out in the plan of action which, in the words of Mr Gandhi, sets out to strengthen the economic infrastructure of the frontline States, to provide technical assistance and emergency assistance to the liberation movement in South Africa and Namibia, and supplement the activities of the South African Cooperation and Coordination Committee in the long-term development of southern Africa.

The document points out that while surpluses of certain commo-

dities in individual frontline States could be supplied to others, some essential items would have to be supplied from outside, if necessary by airlifting.

The Fund has also proposed the establishment of a strategic food grain reserve of 150,000 tons which, in the committee's view, would obviate the need to import grains from South Africa for at least one year. This alone would cost an estimated \$20 million.

The Fund has to find the resources and suitable means of transport to provide other essential items to frontline States which now import them from South Africa. Zimbabwe alone imports medicines and critical raw materials worth about \$142 million a year from South Africa.

The plan of action has listed a number of projects that have to be implemented if dependence on South Africa is to be eliminated. These include construction of silos; supply of farm implements and assistance in developing agriculture; supply of freezer trucks and railcars; rehabilitation of railway lines; improving roads; increasing the capacity of refineries in Zambia and Angola; steps to augment power supply and manpower training. There is also the major problem of rehabilitating migrant labour which Mozambique, the most affected, says will cost \$761 million. However, the highest priority has been given to the strengthening of transport and communication networks in the frontline States.

These apart, there are promises to be kept to support liberation movements. Already pending are requests from the African National Congress for about \$30 million a year to cover expenditure on publicity, transport, equipment, legal

aid, administrative expenses, organizational activities, air travel to frontline States and other miscellaneous needs. The Pan African Congress has asked for \$10 million a year, for training, medical assistance, transport equipment and administrative expenses. SWAPO has asked for \$32 million to meet urgent expenditure on publicity and sundry other items.

#### NO TARGET

There is no target set for the Fund nor is there any estimate of the total cost of the various projects that have been suggested. But a quick look at even a dozen of the several proposals set forth

adds up to more than a billion dollars. The launching of the Fund was accompanied by the setting of an Indian stamp which was presented by Mr. Thabo, chairman of NAM, by Mr. A. J. Smith.

India's contribution to the Africa Fund will be in kind, goods and commodities spread over three years.

This clarification came this evening from the Minister of State for External Affairs, Mr. Eduardo Faleiro, who is currently touring the African States, especially the frontline countries, as a special emissary of the Prime Minister, to assess the requirements in the face of aggression by South

Africa.

Mr. Faleiro told reporters that contributions by countries could be in any currency and also for specific projects. The Fund money will be used for projects to be identified by a subcommittee headed by Zephaniah

Chilobedze. Six heads of delegations who attended the 1st Africa Fund Summit left here today with. In hours of the conclusion of their two-day deliberations.

The Peruvian President, Mr. Alan Garcia Perez, who is on a week's visit to this country, left the country today. The Argentine President will leave next week.

### Gandhi Letter, Other Plans

Madras THE HINDU in English 2 Feb 87 p 9

[Article by G. K. Reddy]

[Text]

#### NEW DELHI, Feb. 1

The Prime Minister, Mr. Rajiv Gandhi, was this writing individually to the heads of Government of all countries, in his capacity as Chairman of the AFRICA Fund, enclosing copies of the recent summit appeal for generous contributions in cash or kind to help develop the economic infrastructure of the frontline States.

There had been encouraging response from many countries, during the pre-summit diplomatic consultations with them, indicating their readiness to help in different ways without putting embarrassment to themselves.

These countries are being told that since the action plan drawn up by the Africa Fund summit covered a wide spectrum of assistance, the contributing countries could specify, if they so desired, in what particular areas their contributions should be utilised, acting in concert with the Southern African Development Co-ordination Conference (SADCC) and with the Organisation of African Unity (OAU) with the help of the United Nations.

Some of the Western countries, who are otherwise inclined to contribute to the Africa Fund have taken objection to that part of the action plan which empowers the action-coordinating committee to devote a part of the funds to the liberation movements within South Africa, besides the South-West African People's Organisation (SWAPO) fighting for Namibian independence. It was subsequently explained that the proposed assistance was not intended to supply arms to them.

In fact, the request of Mozambique for arms

was kept outside the purview of the Africa Fund, leaving individual member countries free to help it in meeting South Africa's military incursions. The AFRICA Fund in fact will have nothing to do with any such assistance.

The Minister of State in the Ministry of External Affairs, Mr. Eduardo Faleiro, who toured the Southern African countries extensively to help the Africa Fund summit in Delhi, is proceeding on Friday on an equally long tour as the Prime Minister's special envoy to discuss the steps to be taken by the frontline States themselves for implementing the decisions taken at the summit last month in Delhi. He will also be visiting a number of other African countries to request political support for the anti-apartheid struggle and assistance to frontline States against South African intimidation and even aggression.

He is going first to Gaborone, capital of Botswana, to represent India at the 10th anniversary celebrations on February 5 of the establishment of SADC, to assist the development of relations with the Swaziland, Angola, Zambia, Zimbabwe, Tanzania, Malawi and Mozambique.

The campaign against apartheid for the eradication of the remaining vestiges of colonialism and racism in Africa is now becoming the central theme of India's foreign policy and in this capacity, as Chairman of the AFRICA Fund, Mr. Rajiv Gandhi is emerging as a symbol of this resolve to eradicate. The question is how to interpret the tactics and objectives of this struggle in its broad terms to attract maximum possible participation all the world without in any way losing sight of its goals.

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CSO: 4600/1434



## PAPERS REPORT ON VISIT OF PERUVIAN PRESIDENT

## Singh 25 January Banquet Speech

Calcutta THE STATESMAN in English 26 Jan 87 p 12

[Text]

NEW DELHI, Jan. 25. — India today expressed "deep concern" over the tension in Central America which posed a real threat to international peace and security, reports PTI.

Speaking at a banquet in honour of the visiting President of Peru, Mr Alan Garcia Perez here, the President, Mr Zail Singh, said India appreciated Peru's constructive role in the Contadora group set up to resolve peacefully the situation in the region.

The President said the countries of the region must not be dragged into the East-West bloc rivalry or be subject to foreign armed intervention or threat of destabilization.

He called for a resumption of negotiations and dialogue to achieve a just and lasting settlement in the region.

India and Peru felt that the recently concluded nine-nation Africa Fund summit would mark a milestone in the quest for the eradication of apartheid and the independence of Namibia.

Mr Zail Singh said it was significant that Mr Garcia's visit coincided with the summit. The President said there could be no complacency about the future of the world the growing stockpiles of nuclear armament around the world were a menace to the survival of humanity.

The President said the survival of humanity was a bigger cause than the anxiety of some nations to perpetuate their own pre-eminence and to pursue false doctrines of balance of terror.

Mr Zail Singh said that as developing nations, India and Peru faced the challenge of continuing their development in a period of acute international economic instability.

He said the developing countries could meet this challenge by pooling their resources and experiences and cooperating in diverse fields to reduce dependence on the developed world.

## Garcia Press Conference

Madras THE HINDU in English 28 Jan 87 p 6

[Text]

NEW DELHI, Jan. 27.

The President of Peru, Mr. Alan Garcia, has said the aim of his visit was to have a first-hand look at India and its experience in development and not to seek any specific agreement or, for that matter, lobby for the NAM chairmanship.

Speaking at a press conference here today, he said India had several lessons for Latin

America, the first being that of unity. Considering the uniformity of religion, race and language, Latin America was far less united as compared to the far more diverse India. Latin America, he said, was a victim of 'anti-development' and imperialist policies. Second, Latin America was needlessly looking towards the industrial-capitalist and consumerist development model when countries like India probably provided better models.

More important was the message of India's spirituality which, he said, was more apparent to him, a visitor, than to those who lived here, which provided important lessons for Latin Americans. Mr. Garcia said the moral message from India was worth millions of dollars.

**Small ideas:** The Peruvian President said he had also picked up some small ideas that could be used. As a case in point, he noted, the Peruvian dairy board provided milk in expensive tin cans which he realised were not necessary after seeing the manner in which milk was transported to long distances for the consumer in India. Such 'pedestrian' ideas were the ones that interested him the most, he added.

In response to a question, Mr. Garcia said in Central America, Peru, as a member of the Contadora support group, was attempting to defend the vital principle of the acceptance of ideological plurality in international politics as well as that of the free determination and sovereign rights of a nation. He said the U.S. may have considerable military and economic power but it had little moral power to direct Latin American thinking. He said the Contadora process was a historical test for Latin American unity.

**\$15 billion debt:** Mr. Garcia said Peru would not repudiate its \$15 billion debt. It had worked out a plan whereby it would repay the debt by pegging 10 per cent of the value of its exports towards repayment. Last year, this amounted to a sum of \$300 million. He said the mistake in in-

curring the debt was as much Peru's as that of the international financial institutions and, therefore, it would not be proper to welsh on the debt. The essence of the Peruvian plan was not to say we cannot pay, Mr Garcia added, but to say we will pay as we develop and as we begin to generate resources.

He said the IMF projected a 19th century economic concept which was possibly useful in developed countries but led to poverty and economic dependence in the Third World. He said the best answer to the IMF was to pay no attention to its mistaken, colonialist theories and instead create world economic organisations that would promote genuine development.

**Criminal group:** Mr. Garcia said the extremist movement in his country named the 'Shining Path' was nothing but a criminal group and the best proof of their mentality was this act against the Indian Embassy (where two persons were killed in an attack this morning). He said violence was the evil of our times and what was worse was its exacerbation by political groups. He said he was himself of American Indian origin and there was no element of racial division in the activities of the Shining Path.

Mr. Garcia rejected a suggestion that the Latin American democracy was constantly threatened by the military services. He said it was often civil and democratic forces that asked the military to come out of the barracks. The problem was not of a single institution or individual but of the entire society. In the case of Peru, the military junta of 1968 had actually been a progressive one, responsible for major land reforms, Peru's joining the NAM movement and developing relations with the eastern bloc, he added.

**Doctorate:** Mr. Garcia was conferred the honorary degree of Doctor of Law by the Delhi University at a colourful function this morning.

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CSO: 4600/1431

## ANALYST ON MALAYSIAN PRIME MINISTER'S VISIT

## Expectations Told

Madras THE HINDU in English 29 Jan 87 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 28.

The Malaysian Prime Minister, Dr. Mahathir Bin Mohammed, is arriving tomorrow on a two-day State visit to India on his way back from the Islamic Summit in Kuwait.

As he is travelling by a small executive jet, he will not be able to reach Delhi before sunset with the result that no ceremonial welcome can be arranged to greet him with the customary guard of honour and State drive from the airport to Rashtrapati Bhavan. But the Government of India will be according a ceremonial farewell when he leaves on Sunday morning for Kuala Lumpur at the conclusion of his visit.

The Prime Minister, Mr. Rajiv Gandhi, will be having wide-ranging political discussions with Dr. Mahathir on Kampuchea and other regional issues. He will be interested in having the assessment of the high-power Indian ministerial delegation led by the Foreign Minister, Mr. N. D. Tewari, which went to Hanoi recently to meet the new leaders of Vietnam.

**Kampuchean issue:** Earlier, in the course of his visit to Australia and New Zealand in October last, Mr. Rajiv Gandhi had stopped over in Jakarta and Bangkok to discuss the Kampuchean issue with the Indonesian President and the Thai Prime Minister, and he had come back with the impression that the ASEAN countries were veering round to the view that it should be possible to have a direct dialogue with Vietnam on this issue, if the Pol Pot clique could be kept out of the proposed negotiations.

The Government of India came to know later that the new leadership in Hanoi was trying to establish contact with Prince Norodom Sihanouk through the Austrian Government. The Indian ministerial delegation was aware of

this development before it went to Vietnam.

**One-sided trade:** At the bilateral level, the relations between India and Malaysia have been good and the prosperous Indian community in Malaysia has been playing its part in the country's economic development. But, unfortunately, the trade between the two countries is so one-sided that the imports from Malaysia are at least three times higher than the exports, largely because of the heavy Indian purchases of palm oil from it.

During 1985, India imported goods worth Rs. 538 crores, including palm oil, rubber, tin and timber, while exporting food and beverage items, tobacco, non-edible animal and vegetable fats and some manufactured goods valued at Rs. 125 crores. But India has as many as 22 joint ventures in Malaysia, the largest number set up by any country there.

The Malaysian Foreign Minister, Mr. Y. B. Datuk Rais Yatim, and the Secretary-General, Mr. Y. B. Tan Sri Zainal Abidin bin Sulong, will be having talks with Indian Ministers and senior officials on bilateral economic ties, especially on how best to bridge the trade gap, while Dr. Mahathir will be exchanging views with Mr. Gandhi on Kampuchea and other regional issues.

It would not be surprising if the Pakistan President, General Zia-ul-Haq, who met the Malaysian Prime Minister at the Islamic Summit, tries to convey a message to Mr. Gandhi through him, professing his desire for an early de-escalation of the border crisis between India and Pakistan. If he has utilised the good offices of the Egyptian President, Dr. Hosni Mubarak, he would not let go the opportunity of Dr. Mahathir's visit to Delhi to derive some political mileage from it.

## 30 January Talks

Madras THE HINDU in English 31 Jan 87 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 30.

At the Indo-Malaysian talks today, the two Prime Ministers, Mr. Rajiv Gandhi and Dr. Mahathir Bin Mohammed, had a candid exchange of views on Kampuchea, sharing each other's assessments of how far the new leadership in Hanoi would go in finding a widely acceptable solution to this problem.

They also had an equally useful private discussion on other regional problems of mutual interests, besides exploring the possibilities of greater cooperation between South Asian and South-East Asian nations.

As a dynamic figure who has been playing an important role within the Commonwealth and ASEAN, Dr. Mahathir said he had admiration for India's contribution to Third World causes. Mr. Rajiv Gandhi explained in turn what India was doing to build up a mutually beneficial relationship with its neighbours in the larger interests of peace, stability and orderly progress in the South-Asian region.

The two Foreign Ministers, Mr. N. D. Tiwari and Mr. Y. B. Daluk Rais Yatim, and their colleagues had more detailed discussions on bilateral cooperation. The two sides agreed to take suitable steps to bridge the trade gap caused by the continuing Indian imports of

palm oil to the extent of half a million tonnes per year to overcome the critical shortages of edible oils at home.

There is greater awareness now in India about the need for better understanding with ASEAN as a group as well as bilaterally with its member States. The two pivotal countries in ASEAN are Malaysia and Indonesia and India is keen on maintaining a close working relationship with both of them.

Another country with which India wants to establish closer relations is Philippines. The Government of India had extended an invitation to the Filipino Vice-President to visit Delhi as a prelude to a State visit by the President, Ms Aquino, herself at a later stage. But he had to cancel his visit to India at the last moment because of the political turmoils there.

There is some talk that the Prime Minister might depute Mr. K. Natwar Singh on goodwill visits to some of these ASEAN countries, including Philippines, to get to know their policies and perceptions better.

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CSO: 4600/1435

## PAPER REPORTS GANDHI SPEECH IN LUCKNOW

Calcutta THE TELEGRAPH in English 1 Feb 87 p 4

[Text]

Lucknow, Jan. 31: The Prime Minister, Mr Rajiv Gandhi, today said India will make all necessary efforts to safeguard its sovereignty but it will never take any step that can lead to war against any country.

Addressing party workers at the Uttar Pradesh Congress(I) office here during a day's visit to the state, Mr Gandhi said he would not comment on the present Indo-Pakistan border tension as the matter was currently under discussion with the Pakistani delegation.

The Prime Minister, however, said the acquisition by Pakistan of sophisticated war equipment like Awacs and the F-16 had forced India to divert its development funds to buy matching armament. He said the influence of the superpowers needed to be curbed to put an end to the arms race, on which \$1.7 was

being spent every minute in the world. "Had this sum been spent on development, the shape of the world would have been different," Mr Gandhi added.

Mr Gandhi said India was keeping an eye on certain "foreign agencies" which were trying to create internal disturbances in developing countries. He called upon the party workers, particularly the youth, to wage war against communalism, regionalism and casteism. Later, while releasing three drugs developed by the Central Drug Research Institute (CDRI), Mr Gandhi criticised bureaucratic interference in science and technology. He said technology should be developed in accordance with the country's needs.

Mr Gandhi disclosed that the government was considering a system that would involve all departments concerned of the Union and state governments

and place them under one operative head to ensure proper coordination in science and technology.

At a function at Kalakankar in Pratapgarh district in connection with the centenary celebrations of *Hindustan*, India's first Hindi daily, Mr Gandhi deplored the deteriorating standards of some newspapers and urged the press to take up once again the role it had during the freedom struggle.

He said at that time, newspapers, especially the smaller ones, had been responsible for creating a healthy outlook vital for progress.

**Warm welcome:** Mr Gandhi was given a warm welcome when he arrived in Lucknow from Kalakankar. After completing his engagements in the state capital, Mr Gandhi left for Delhi by a special Air Force plane this evening.

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CSO: 4600/1453



## DEFENSE SPENDING PLANS FOR 1987-88 DISCUSSED

Bombay THE TIMES OF INDIA in English 29 Jan 87 p 8

[Article by Sreedhar]

[Text]

ON December 2, the then finance minister, Mr. V. P. Singh, presenting the resource projections for the annual plan 1987-88, estimated that next year's defence budget would be Rs. 11,900 crores, a 36.3 per cent increase over the 1986-87 budget estimates of Rs. 8,728 crores.

In his statement, he said, "I need not elaborate on the compulsions of the geopolitical climate which has made the increase in defence expenditure". From the present projections this would be around six per cent of our gross National Product, a sharp increase of over 1.5 per cent in just one year. In the last two decades, India's defence expenditure never increased by this magnitude.

What explains this sudden spurt in the defence expenditure? If we have to go by the arguments of the perspective planners, the defence expenditure during the seventh five-year plan would be around Rs. 60,000 crores. This would be required for the existing force levels and its modernisation. At the end of the second year of the seventh five-year plan, we would be spending around Rs. 18,000 crores; and another Rs. 12,000 crores in third year. The expenditure in remaining two years, thus would be around Rs. 14,000 crores in fourth year, and Rs. 16,000 crores in the last year of the plan.

Has the security environment around India deteriorated to such an extent to necessitate a sudden spurt in the defence expenditure of this magnitude? There is no doubt that Pakistan and China are rapidly modernising their armed forces. As a matter of fact modernisation is being accompanied by induction of highly sophisticated weapons.

How do we view these developments in our neighbourhood? It is said, for instance, that in early 1980s the induction of F-16 fighter aircraft into the Pakistan air force, altered the military balance "considerably" in the subcontinent. In retrospect this assessment proved to be highly exaggerated and, as some point out, it legitimised some of the defence purchases made at that time by India.

## Uncertain Ties

Similarly, we are being told that the likely induction of AWACS seems to have introduced "new uncertain ties" in India's strategic perceptions. To prove the effectiveness of the AWACS, the Israeli air force success in its war with Syria in 1982 is often cited, where for every Israeli fighter aircraft lost, the Israelis destroyed 86 Syrian aircraft.

But this success is not due to AWACS alone. The Israeli air force's success in achieving absolute air superiority is generally attributed to three factors: Firstly, Israel had more aircraft vis-a-vis Syria. The ratio at that time was around 2:1. Secondly, the Syrian pilots were far inferior to Israelis, in training and lacked the needed motivation. Lastly, it is the electronic measures and electronic counter measures of the Israelis, of which AWACS is only a part, that enabled them to achieve absolute air superiority.

It can also be argued that India's increase in defence expenditure has nothing to do with F-16s or AWACS but that it is a part of the modernisation process. Those who advance this argument recall India's

debacle in 1962. No one will disagree with them on that 1962 should not be allowed to be repeated. But was that debacle solely due to lack of investment in defence or was it due to variety of factors, including lack of adequate defence preparedness? The second would be closer to the truth; and the weightage one would like to give to each of those factors will depend upon the subjective judgement of the individual concerned.

Assuming that the increased defence expenditure is necessary to modernise our three services, what are the areas in which defence expenditure needs to be increased and for what purpose? If we go by the trends of the past two decades—from 1965 to 1985—the defence expenditure in 1987-88, should have been around Rs. 10,000 crores plus. That is a normal increase of 10 per cent over the previous year's budget plus inflation. Roughly Rs. 1,500 crores has to be accounted for in the projected budget estimates.

### New Equipment

There are, broadly speaking, four areas in to which this increased investment can go, viz, new equipment, capital construction, welfare and payments for some of the equipment acquired earlier. While no new major deal seems to have been signed in 1986, two major defence-related projects have reached the take-off stage—for construction—missile testing range at Balasore in Orissa and the naval base at Karwar in Karnataka. These two projects, along with major warship purchases that have been envisaged, may ac-

count for Rs. 300-400 crores. The welfare measures including the fourth pay commission's recommendations, will have only a marginal incidence on the overall expenditure. If we go by last year's trend, there is not going to be any substantial change in payments for the equipment acquired in the past.

With a resources crunch round the corner what could be the compulsions for the finance minister to make a substantial increase in allocation to defence? One explanation could be the increasing role of the armed forces in aid to civil authorities. The Prime Minister has gone on record to say that the fight against terrorism is going to be a long-drawn out affair, and that the government is going to win it at any cost. In the coming months the armed forces may be called upon to play a decisive role, especially in Punjab.

The experience with the para-military forces in dealing with the terrorists has not been successful largely due to poor equipment. The government therefore appears to have asked the army to raise its manpower strength. Alternatively, the government has to allow the para-military forces to acquire better equipment and raise more manpower. In the given situation, the choice seems to have been made in favour of the armed forces in view of their performance during the second half of 1984 in Punjab. Thus, an increase in the defence expenditure by about Rs. 1000-1200 crores, may mean raising of more troops—say another 100,000.

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CSO: 4600/1432

## ARMAMENTS EXHIBITED IN REPUBLIC DAY PARADE

Madras THE HINDU in English 27 Jan 87 p 9

[Text]

NEW DELHI, Jan. 26.

A rousing spectacle of valour and colour marked the 38th Republic Day parade in the capital today. A microcosm of the country's best in terms of defence preparedness and rich cultural heritage was on view for millions of people who watched it from the stands between Vijay Chowk and India Gate along the Rajpath and from countless television sets at home.

Braving the early morning chill thousands had taken up vantage positions on both sides of the 11-kilometre parade route up to the historic Red Fort.

The President, Mr. Zail Singh, took the salute from the mounted, mechanised and marching contingents of the defence, paramilitary and police forces besides witnessing a varied thematic display of eye-catching pageants and tableaux.

The Peruvian President, Mr. Alan Garcia Perez, was the guest of honour. Among the other dignitaries were the Vice-President, Mr. R. Venkataraman, the Prime Minister, Mr. Rajiv Gandhi, the Defence Minister, Mr. Vishwanath Pratap Singh, the three Service chiefs—General K. Sundarji, Air Chief Marshal D. A. La Fontaine and Admiral R. H. Tahlilani—with Ministers and members of the diplomatic corps.

The former Tanzanian Head of State, Mr. Julius Nyerere, was a special invitee.

**Homage to soldier-martyrs:** The day's ceremonies commenced with the Prime Minister, the Defence Minister and the three Service Chiefs paying homage to the soldier-martyrs at the Amar Jawan Jyoti at India Gate. Wreaths were laid, the Last Post was sounded and two minutes silence followed as the men drawn from the three wings of the armed forces presented arms.

At 9-58 a.m., the Presidential motorcade drew near the saluting dais accompanied by his mounted bodyguards. Twentyone guns boomed in salute, the bands picked up the National Anthem and the Tricolour fluttered free, show-

ering petals, symbolising the unity and integrity of the country.

**Moment of solemn silence:** Solemn silence descended among the audience when Mrs. Rama Bhanot walked up to the dais to receive the 'Ashok Chakra' given posthumously to her air-hostess daughter, Neerja Mishra, from an emotionally choked Mr. Zail Singh. The award was given to her for displaying immense courage in dealing with the hijackers of a Pan Am aircraft at Karachi on September 5 last year. Her presence of mind and action helped in saving the lives of a large number of passengers.

Four MI-17 helicopters flying in formation proceeded towards the saluting base, preceding the Parade Commander. While the lead helicopter was trooping the National Flag, the one following carried the Inter Services Ensign. The remaining two choppers flying in victory formation showered rose petals on the VVIPs and the people in the stands.

**Heading for third year:** The Parade Commander, Major General J. S. Jamwal, General Officer Commanding, Delhi Area, headed the parade for the third year in succession followed by the winners of Param Vir Chakra, Ashok Chakra and the Victoria Cross.

Leading the Army contingents was the mounted column of the 61 Cavalry with the band opposite the saluting base playing the 'Cavalry Brigade'. Next came the T-55 Tanks of Russian origin fitted with 105 mm guns which formed the first contingent of the mechanised columns. They were followed by the Vijayanta Tanks manufactured indigenously at the Heavy Vehicles Factory, Avadi, in Tamil Nadu.

Then was the turn of the 105 mm Indian field guns, the 130 mm Guns, the multi-barrel rocket launchers and three types of armoured personnel carriers to go past the saluting base in that order.

**Combat team presented:** For the first time, the Indian Army presented a combat team at a Republic Day parade. Commanded by Major Ajit Singh Bhinder, the combat wing comprised a trawl or a minesweeping tank followed by a bridge laying tank. These were followed in turn

by T-72 tanks and the infantry combat vehicles (ICVs). Next came the combat headquarters comprising more tanks and ICVs. Two anti-aircraft Schilka guns, a new item, and a battery (six guns) of surface-to-air Kvadrat missiles came next followed by the remaining tanks and ICVs. The whole combat contingent was provided with an air cover by helicopter gunships some of which carried the anti-tank guided missiles. Flown by the Army's aviation wing, this was their maiden appearance in a Republic Day parade.

The Indian Army is known the world over as one of the bravest and toughest. Its discipline and determination were in full view by the marching display by some of its regiments. For the first time, in each contingent there were 144 men, 12 abreast and 12 deep. Leading the marching contingents of the Army were men and officers drawn from the Madras Engineering group. With the bands from different units playing martial tunes, the contingents went past the saluting base one by one. The contingents which participated in the parade this year were from the Madras Regiment, the Rajputana Rifles, the Rajput Regiment, the Jat Regiment, the Sikh Regiment, the Kumaon Regiment, the Jammu and Kashmir Rifles, the 58th Gorkha Training Centre and the Army Ordnance Corps. They were followed by a contingent of the Territorial Army.

**Applause for 'Trishna' float:** There was a round of applause as the float with 'Trishna', the first Indian sailing expedition around the world, proceeded towards the saluting base. Launched on September 28, 1985, the expedition ended on January 10 this year after covering 30,000 nautical miles in a yacht. The expedition was undertaken by the Corps of Engineers.

Then came the turn of the sentinels of the sea, the men who guard the long coastline of the country to go past the saluting base. Preceding the marching contingent of the Indian Navy was the naval band playing 'Jai Bharati'. They were followed by three floats—one depicting the INS Viraat, the second, a model of

the submarine 877 EKM and the third, a near replica of Heera process platform located 32 nautical miles south-west off Bombay for defence of offshore oil installations.

**MIG-27 on display:** The magnificent men of the Indian Air Force, the youngest of the country's armed forces, known the world over for their legendary feats during the 1965 and 1971 operations, were the next to go past the saluting dais. Preceding the marching contingent of the IAF was the Air Force band playing 'Vijayee Bharat'. Following the marching contingent was the first of the four trailers which carried the Spitfire aircraft. The second and third trailers carried the Pechora missiles, the surface-to-air missiles of the Air Defence network to counter any hostile aircraft. Then, for the first time, the MIG-27 aircraft, also named Bahadur, was towed by an IAF vehicle. One of the latest acquisitions in the MIG series of the IAF inventory, it is a supersonic, all-weather, advanced strike aircraft. The thundering roar of the warplanes which used to form the grand finale to the parade was again absent this year much to the disappointment of the colourfully attired multitude.

The contingent of Ex-Servicemen was the next to go past the saluting base. These valiant men who gave the best part of their lives to the service of the nation received a round of applause from the packed stands and the VVIPs.

**BSF Camel Contingent:** The Camel Contingent of the Border Security Force was the first of the paramilitary contingents. The 50 camels in the contingent in 10 rows of five each were decorated with Zari Jhallars and hackles. The riders wore red turbans with silver plumettes and Zari Pallu. The BSF is the only paramilitary force to have a mounted wing.

The BSF band preceded the marching contingent of the same force. Following them were the contingents of the Assam Rifles, the Central Reserve Police Force, the Indo-Tibetan Border Police, the Coast Guard, the Central Industrial Security Force and the Railway Protection Force.

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CSO: 4600/1430

## ANALYST ON QUALIFICATIONS OF NEW DEFENSE MINISTER

Madras THE HINDU in English 26 Jan 87 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 25.

The new Defence Minister, Mr. V. P. Singh, assumed charge of his challenging assignment today and immediately got down to the tasks of providing the right political leadership and higher policy direction to the armed forces at this difficult juncture.

In his dual capacity as Finance Minister and member of the Political Affairs Committee of the Cabinet, he has been closely associated for the last two years with almost every aspect of defence policy, ranging from acquisition of equipment for modernisation of the Army, Navy and Air Force to the formulation of the country's defence strategy in the prevailing security environment in and around the subject.

As such Mr. Singh is not really new to his latest responsibilities as Defence Minister, although at the purely administrative level he will take a little time to get adjusted to the psychology of the rank conscious armed forces. But since the Defence Services regard him as a political personality of both ability and integrity, they would have no difficulty in adjusting themselves to his style of functioning demanding the same standards of efficiency and probity from them.

After they called on him this morning to brief him on the latest border situation, one of the first things the three Service Chiefs did was to familiarise Mr. Singh with the protocol aspects of receiving and seeing off the President, Vice-President and the Prime Minister—and the guest of honour, the President of Peru, Dr. Alan Garcia—at the Republic Day parade tomorrow, which is a Defence Ministry function. He went through the mini rehearsal with both aplomb and confidence absorbing the little niceties of observing the prescribed formalities in accordance with the warrant of precedence.

Another plus point in his case is the excellent personal relationship he has maintained all these years with the Minister of State for Defence, Mr. Arun Singh, who had to present frequently the armed forces demands for more funds in the face of the mounting threat from Pakistan. The Defence Ministry has been

generally happy with his sympathetic response to its endless pleas for bigger and bigger allocations despite the growing need for curbing public expenditure.

**Speculation:** But both politicians and bureaucrats, not to speak of foreign diplomats and pressmen, will continue to speculate why the Prime Minister, Mr. Rajiv Gandhi, has chosen to move Mr. Singh out of the Finance Ministry on the eve of the budget. The border situation is, no doubt, a matter of concern to the Government, but it is not that serious as to compel the Prime Minister to shift him to Defence overnight.

The position will perhaps become a little clear, whether the Prime Minister has indeed hand-picked him for this new assignment or used the present need to have a full-time Defence Minister as a pretext for easing him out of Finance, only when the new Finance Minister is chosen by him. If the new incumbent is going to be a right of centre one who is inclined to adopt a softer attitude towards the big business, then the critics would come to the conclusion that Mr. Singh has been moved to Defence merely to make way for a more pliable person.

The Defence Chiefs appear to be proceeding on the assumption, at any rate for the time being, that he has been shifted to the Defence Ministry because the Prime Minister realised that it could not be left without a full-time Cabinet rank minister in charge. As Minister of State with direct access to the Prime Minister, Mr. Arun Singh had no doubt filled this gap for the last 16 months, but without a Cabinet rank he could not preside over many of the Defence committees which include Ministers of Home, External Affairs and Finance. The Prime Minister had no time to be personally present in his dual capacity at many of these committee meetings.

So the Rajiv watchers in Delhi would continue to wonder whether he had found Mr. Singh too inflexible and felt the need for a change at the Ministry or hand-picked him for Defence, until there is more evidence of his alleged predisposition to adopt a softer stance towards the big business houses.



## REASONS FOR SHELIVING OF AICC SESSION GIVEN

Bombay THE TIMES OF INDIA in English 29 Jan 87 p 1

[Article by Subhash Kirpekar]

[Text] New Delhi, 28 Jan--The proposal to hold an AICC session has now been shelved as the party fears that convening a session at this stage will create more problems than it will solve.

The two major obstacles that have come in the way of holding the session are the forthcoming assembly elections in West Bengal, Kerala, Jammu and Kashmir, Haryana and Mizoram, and the delay in conducting the organizational elections.

A third factor that is prompting party leaders to avoid a session at this juncture is the reaction from Congressmen, particularly the youth, to the stand taken by Mr Kamalapati Tripathi, the former Congress working president.

The general apprehension among party leaders is that if the session were to be held now, there could be a great deal of acrimony on bogus membership in different parts of the country.

There could also be a vociferous demand from the younger elements for the expulsion of a veteran Congressman. All this can be avoided by simply not convening a session.

The Congress constitution requires that an AICC session be held every six months. But this has not been strictly adhered to now or in the past. The last AICC session coincided with the Congress centenary celebrations in Bombay in December 1985. No session of the AICC was held in 1986.

It was proposed last year to convene a session in Imphal in December last. But the failure to conduct the party poll as envisaged in the Bombay session came in the way.

Since there is no definite time-frame for holding the organisational elections this year, it is not known if the convening of a session will be linked with the holding of the party poll.

Partymen attach significance to the holding of an AICC session because it is an opportunity to take stock of the political, economic and international situation and to discuss organisational matters and party programmes.

Almost all cabinet ministers, Congress chief ministers, state ministers, MPs, MLAs, MLCs and frontal organisations participate in the session. It is a time for partymen to get together.

The shelving of a session deprives them of a platform to air their views. Partymen feel there is much to discuss in view of the prevailing situation in Punjab, Assam, Tripura, West Bengal (Gorkhaland) and Goa, not to speak of Indo-Pak and Sino-Indian relations.

But the leadership is more inclined to take a "practical" view of the situation and decide in favour of postponing the session until the climate is more appropriate for undertaking this exercise.

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CSO; 4600/1432

## HIGH COMMISSION IN DHAKA REPUDIATES REPORTS ON CHAKMAS

Bombay THE TIMES OF INDIA in English 29 Jan 87 p 15

[Article by Zagul A. Chowdhury]

[Text]

DHAKA, January 28.

THE Indian high commission here has repudiated recent reports in a section of the Bangladesh press that India had prevented the proposed repatriation of Chakma refugees to Bangladesh, scheduled from January 15.

The high commission, in a press release here yesterday, clarified the actual situation and denied that India was in any way involved in blocking the repatriation of the refugees.

A section of the Bangladesh press had implied that India was behind the non-repatriation of the Chakmas. Bangladesh official sources maintained that Bangladesh had made all arrangements for incoming Chakmas but the scheduled return of the tribals in batches did not take place on schedule.

Sources said that a section of the Chakma "miscreants" prevented the scheduled repatriation in a bid to keep the "so-called" Chakma issue alive and use the refugees as a "ploy" against Bangladesh.

The Indian high commission referred to reports published in a section of the press and said India was not involved in any attempt to stall the repatriation.

A press release issued by the high commission explained that as per the agreement between the district authorities on both sides a team consisting of refugee leaders visited the Chittagong hill tracts for an on-the-spot study to assure themselves that conditions were safe for their return. The team was not taken to any interior areas or to the villages of the refugees.

The refugee leaders were also not convinced by the account given by Bangladesh Rifles and district officials in the Chittagong hill tracts of the security and rehabilitation measures proposed by the authorities. The refugee leaders came back unconvinced and continued to be apprehensive of their fate once they returned to Bangladesh.

The Indian authorities, the press release said, were keen to adhere to the repatriation schedule. In view of the uncertainty explained above, it was proposed that the first batch would be repatriated only through the Silachari-Tabalachar point. As repatriation picked up, the other two points would have been brought into operation.

On January 14/15, as preparation for repatriation were in their final stages, the sound of rifle and LMG firing inside Bangladesh could be heard at the repatriation point on the Indian side. High flames could be seen in Tabalachari and Taidong-Bop areas of Bangladesh. At the same time the influx of additional refugees continued in the period immediately before the scheduled repatriation date. These refugees spread further stories of atrocities.

All these factors combined to make the refugees extremely apprehensive. Most of the male members of families selected for repatriation left the camps for nearby jungles.

According to the press release, they were brought back and attempts were again made to persuade them to cross into Bangladesh. They were totally unwilling to do so. For obvious humanitarian reasons it was not possible to repatriate the refugees using force, the high commission added.

## PAPERS REPORT DEVELOPMENTS IN GURKHA SITUATION

## Leader's Letter to Gandhi

Calcutta THE STATESMAN in English 30 Jan 87 p 1

## [Text]

NEW DELHI, Jan. 29.—In a letter to the Prime Minister, the Gorkha National Liberation Front leader, Mr Subash Ghisingh, has said that his party will now ask the "wholly-settled Indian Gorkhas not to join the 'agreement troops' of the Gorkha Rifles." He also asked the Government of India to immediately establish a new and separate Indian Gorkha Regiment "so as to save the wholly-settled Gorkhas from unnecessary and permanent stigma" and from being branded as "foreigners, mercenaries and Nepal subjects who are in India on a reciprocal basis" under the India-Nepal Friendship Treaty of 1950.

A copy of the letter, written on January 15—a day before the Prime Minister and the West Bengal Chief Minister, Mr Jyoti Basu, met to decide on a common line of action with regard to the GNLF movement—was made available here today.

Interestingly, a copy of the letter has been endorsed to "His Majesty the King of Nepal, for intimation and necessary action to manage a suitable place for a recruiting depot for the convenience of Nepalese". (It may be recalled that Mr Ghisingh had earlier written several letters to the King of Nepal, but had later withdrawn these on the instruction of his advisers).

In the letter, Mr Ghisingh said: "Now onwards, the GNLF has absolutely no other alternative but to ask the wholly-settled Indian Gorkhas not to join the 'agreement troops' of the Gorkha Rifles. Furthermore, the GNLF is compelled to ask the Centre to immediately establish new and separate Indian Gorkha Regiment.

The letter further said: "With a view to supporting your bold and historic commitment on December 19, 1986, at Darjeeling granting citizenship to the wholly-settled Gorkhas in India, until and unless the State of Gorkhaland is created, the question of citizenship of the wholly-settled Gorkhas cannot be decided, and under no circumstances, can Indian citizenship be granted to the settled Gorkhas by the Government of India so long as the Indian Gorkhas continue to be recruited in the agreement troops.

"That is why a separate State of Gorkhaland is quite necessary as a first step in the interests of the settled Indian Gorkhas and in the interests of India. Now, Your Honour, it is entirely up to you to save the stateless and futureless Gorkhas from the last stage of the sinking ship in the vast ocean of the Indian political panorama or to allow it to die under Article 7 of the India-Nepal Treaty of 1950.

"Henceforth, no one should say that the voice of Gorkhaland is anti-national—without knowing the above-noted complicated and unresolved case of the Gorkhas victimized by the Government of India, Nepal and Great Britain. Your Honour is now requested by the GNLF to remove all Gorkha recruiting depots from Darjeeling and Kunraghat (Gorakhpur) immediately to an appropriate place within Nepal".

Mr Ghisingh is staying on in Delhi for a possible round of talks with Government leaders tomorrow.

He said after his meeting with Mr Buta Singh yesterday that India was now recruiting people

from among Nepalese citizens for the 'agreement troops' (or Indian troops of the Gorkha Regiment). What has happened is that the Nepalese living in India, too, are being recruited to the 'agreement troops' and a confusion has arisen because of this practice.

This is why, he said, he was demanding a separate Gorkha regiment exclusively for the Indian Gorkhas. He said he had made this point in his letter to the Prime Minister.

Mr Ghisingh said, "My Gorkhaland demand is always there", and added, "I am not budging an inch from my demand, but in this visit I have concentrated only on the citizenship issue. I am not withdrawing the Gorkhaland demand and I hope it will be fulfilled.

Asked what the difference was between the concept of the undivided Communist Party of India in 1946 and his demand for "Gorkhaland", Mr Ghisingh said the former envisaged a sovereign land for Gorkhas. It was a secessionist demand, whereas his was that "Gorkhaland" be a State of India. On this visit, he had not made an issue of the Nepalese language being included in the Eighth Schedule of the Constitution, but he had not given it up either. He said he was not going to withdraw his agitation, "but I will reduce its intensity."

He hoped that the Centre would grant citizenship to those Nepalese who had come after 1950. He had also spoken to Central leaders about the citizenship issue of the Nepalese living in Assam and other parts of the North East. Mr Ghisingh said there were eight million Nepalese in India. The majority

of them had lived in this country from before the treaty was signed in 1950. They should be given citizenship rights, he felt. Those who came to India after the treaty was signed were Nepalese, "and I am not concerned with them for I do not want to mix them up with Indian Nepalese." He said this latter group was covered by the "reciprocal facility clause" in the treaty.

PTI adds: Mr Ghisingh had urged the Centre to withdraw the BSF and the CRPF from the hills. "The Centre has assured that the matter will be discussed with the State Government". New Delhi's attitude to

the GNLF agitation was described by Mr Ghisingh as "responsive".

The president of the Rashtriya Samajbadi Congress, Mr Pranab Mukherjee, today described the talks between the GNLF delegation and the Union Home Minister, Mr Buta Singh, in New Delhi as "a mere gimmick".

Addressing the State conference of the party in Midnapore Mr Mukherjee said the Left Front Government in West Bengal was "befooled" by the Congress (I) "when the Front took the entire matter emotionally" and declared that they were ready to give the hill people regional autonomy.

## Ghisingh-Buta Talks

Bombay THE TIMES OF INDIA in English 1 Feb 87 p 8

[Text]

CALCUTTA, January 31.

THE Delhi meeting with the Union home minister, Mr. Buta Singh, has been a triumph for Mr. Subash Ghisingh and his associates in the GNLF.

Not only have they not yielded on any issue, but by virtue of the kind of hospitality accorded to them by the Union government they can now legitimately claim that the Centre has accepted them as the principal representatives of the Nepalese community in India.

There is little point in crowing over the fact that Mr. Ghisingh has agreed with Mr. Buta Singh that the agitation should be conducted in a peaceful manner. This was nothing but a formality as it could not have been expected for the GNLF leader to tell the minister on his face that his men would remain violent. In fact, it has been Mr. Ghisingh's contention, like all agitation leaders, that violence has been imposed on them by the CPM and the police.

What is more important for Mr. Ghisingh is that the Centre has only asked him to remain peaceful, but not to withdraw the agitation. Now GNLF has a case in its favour.

On the one hand the centre responded to the state government's appeal for more security forces to deal with the agitation and on the other, treated the agitation leader as an official guest. This is bound to create confusion among forces like the CRPF and the BSF and thus make the task of maintaining law and order in the hills even more difficult.

### NOT CLEAR

It is not at all clear why the Centre should have chosen to reopen the citizenship issue. The Indo-Nepal treaty of 1950 makes it clear that those Nepalese coming to India after that year would be entitled to earn a livelihood here but would not be treated as citizens. The Prime Minister had said that this treaty continued to hold good, but now by agreeing with Mr. Ghisingh that the citizenship issue needed to be looked into afresh, New Delhi is giving the impression that the treaty needed some amendments. This is exactly what Mr. Ghisingh himself has also been demanding by urging that clause seven of the treaty be scrapped.

Such kid-glove treatment has also encouraged Mr. Ghisingh to reiterate his latest fiat to the Indian Nepalese that they should not join the army unless their citizenship status was established, or in other words, till such time as a separate Gorkhaland became a reality.

Words such as these could well have an impact on the serving Nepalese with whom the GNLF leadership, comprised largely of ex-army personnel, is in close contact.

While the reaction of the Union government is not known, one wonders how Mr. Ghisingh could muster the courage to say such things sitting in the capital and as the guest of the government.

### DARJEELING TRIP

The Prime Minister and Mr. Jyoti Basu are scheduled to visit Darjeeling on February 7. In an interview in New

Delhi, Mr. Ghisingh has said that he would have to decide what programme his organisation would adopt for itself on that occasion, thereby making it clear that he might go in for fresh agitations. About Mr. Jyoti Basu he has said, "if I am asked to sit with Mr. Gandhi and Mr. Basu, then I will tell the latter on his face that he had no business to be there as my demands concerned only with Delhi".

Politically, the Congress leadership might feel happy with such an anti-Basu stand.

Regarding his fiat to the Nepalese not to join the army, it might interest New Delhi that this came closely in the wake of a reported visit to Darjeeling by a Gorkha officer in the British army. According to intelligence reports, this man had met Mr. Ghisingh, but what transpired at the talks is not known.

There can be only one explanation for the softness being displayed by the Centre towards Mr. Ghisingh and that is, political consideration. In the hills of Darjeeling the Congress has no organisation to fight the Marxists and it can only hope to get the job done through the GNLF.



## Agitation Suspended

Calcutta THE STATESMAN in English 4 Feb 87 pp 1, 9

[Text]

**NEW DELHI, Feb. 3.**—The two year old agitation for a separate Gorkhaland was today suspended for two months following the Centre's assurance to the Gorkha National Liberation Front that it would consider issuing a gazette notification, upholding full citizenship rights of Gorkhas settled in India, reports PTL. The Centre will also examine in detail the GNLF demand that a separate Indian Gorkha Regiment be formed so that the "Indian Gorkhas do not attract the stigma of being foreigners and mercenaries."

The GNLF leader, Mr Subash Ghisingh, who announced the suspension of the agitation for two months to begin with after the final round of talks with the Union Home Minister, Mr Buta Singh, today, will be leaving for Darjeeling tomorrow to ensure that all forms of agitation in the hill district of West Bengal are suspended.

Mr Ghisingh assured Mr Buta Singh that his movement will remain peaceful and democratic. Mr Buta Singh had asked for total withdrawal of the agitation now that a dialogue between the GNLF and the Centre has begun with the knowledge of the West Bengal Government.

During the 45-minute meeting, Mr Buta Singh emphasized once again that under the Constitution of India, all sections of the people were equal irrespective of their differences in creed, language and religion.

"The people can have their aspirations fulfilled through non-violent and Constitutional methods", Mr Buta Singh said adding that the unity and integrity of India was the greatest need of the hour.

It was agreed at the meeting that Mr Ghisingh would formulate his proposals regarding citizenship in greater details and forward them to the Home Ministry.

In a signed statement issued after the talks, Mr Ghisingh announced that the GNLF will give Mr Rajiv Gandhi a "warm and memorable" welcome during his visit to Darjeeling on February 7. Mr Gandhi will be accompanied by Mr Jyoti Basu.

The GNLF had boycotted Mr Gandhi's public meeting in Darjeeling in the third week of December last year.

Mr Ghisingh, who refused to answer reporters' queries, said: "I will not go beyond this statement".

The statement, however, mentioned nothing about the GNLF demands for creation of a separate State for Gorkhas, abrogation of the 1950 Indo-Nepal treaty and inclusion of Nepali in the Eighth Schedule and recognizing it as one of the official languages.

Mr Ghisingh, who is leaving for Darjeeling tomorrow morning, said he would go back and call a meeting of his local leaders on Thursday, asking them to suspend all forms of agitation.

He said the suspension of the agitation, which had claimed a number of lives apart from disrupting the economy of the hills, "would give further proof of our sincere desire to find a peaceful solution to our problems. We shall remain completely non-violent so as to avoid any situation which may lead to conflict".

The statement, handed to reporters by Mr Ghisingh himself, said: "We appreciate the Union Home Minister's anxiety to create a better atmosphere for a negotiated settlement of our demands" and the agitation had been suspended in response to this.

The GNLF leader, who has had his second meeting today with the Home Minister and the Home Secretary, said he was glad that Mr Rajiv Gandhi would be visiting Darjeeling on Saturday.

"We look forward to the privilege of presenting to him a memorandum with all our grievances and demands. Meanwhile, I appeal to all Gorkhas living in Darjeeling and the Doorgas to extend a warm and memorable welcome to the beloved Prime Minister of our motherland".

Mr Ghisingh also expressed the hope that the West Bengal Government would "respond positively and constructively to our decision to suspend the agitation and will take immediate steps to consolidate peace".

The two-page statement said, "We also trust that the West Bengal Government and its local administration in Darjeeling and the Doorgas and the Communist Party of India (Marxist) and its cadres will refrain from doing anything which may lead to violence and force the GNLF to review its decision".

According to Mr Ghisingh, the Home Minister had proposed that the agitation should be withdrawn once the process of negotiations had begun.

He said the two rounds of talks during his eight-day stay in the capital, were just the beginning and more discussions were to follow.

The statement, however, demanded that the Gorkhas settled in India be "unambiguously" identified and declared Indian citizens.

During the talks today with Mr Bula Singh and the Home Secretary, Mr C. G. Somiah, the GNLF had proposed the issuing of a gazette notification "clearly to distinguish the Gorkhas settled in India from those who may be described as reciprocal Nepalese, namely persons who have come to India from Nepal under Article 7 of the Indo-Nepal treaty of 1950".

The statement did not mention the original GNLF demand for a total abrogation of the Indo-Nepal treaty.

Mr Ghisingh also said: "We have urged the Home Minister kindly to ensure that the settled Gorkhas are not recruited to the Gorkha Regiments, raised by the Indian Army from Nepal under an agreement with Britain originally and now with India". The GNLF instead proposed a separate Indian Gorkha Regiment so that Indian Gorkhas "do not attract the stigma of being foreigners or mercenaries". A Home Ministry spokesman later told reporters that this issue required "further examination by the Government".

UNI reports from Siliguri: "Unity Day" will be observed all over Darjeeling district on February 7, according to the CPI(M) leader, Mr Buddhadev Bhattacharjee.

Speaking to reporters at Siliguri last evening he said Unity Day would be observed as the Gorkhaland and Kamtapuri movements were spreading secessionist and communal tendencies among people of different communities in the district.

Staff Reporter adds: Several houses belonging to CPI(M) supporters were set on fire at Balshan in the Jorbungalow area of Darjeeling district on Tuesday evening. Policemen, including senior officials, went to the spot. Details were, however, not available.

PTI adds from Darjeeling: A number of arrests have been made and the police have started a case under Sections 302, 427, 147, 148 and 149 at Kurseong thana in connexion with the disappearance of the senior intelligence officer, Biswanath Mukherjee, and two others, believed to have been killed and their car set ablaze. They were last seen at Tindhar on January 22.

The police said that portions of the white Ambassador car had been found in the jungles between Mahanadi and Tindhar.

Confirming the initiation of police cases for murder, arson and snatching of arms, the sub-divisional officer, Kurseong, Mr Basudev Banerjee, said on Tuesday he feared that Mukherjee had been killed on January 22, the day his car was set ablaze and pushed down a ravine. Mr Banerjee said some portions of the car had been found on Tuesday two km away from Gayabari.

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## INFLUX OF TRIBAL REFUGEES FOUND HARD TO RESIST

Bombay THE TIMES OF INDIA in English 2 Feb 87 p 14

[Text]

AGARTALA, Feb. 1 (PTI).

THE BSF jawans barely managed to keep off over 2,500 Chakma, Marma and Tipra refugees trying to escape the retaliatory raids by the resettler-dominated Village Defence Parties (VDP) in Bangladesh's Khagrachheri district, according to official sources.

Sources said here today that it would be difficult to resist the 'inexorable tide of panic-stricken humanity', unless something could be done immediately to restore normalcy in the Chittagong hill tracts.

BSF officials said today that in view of the long mountainous border stretch of Tripura with Chittagong hill tracts and the paucity of border outposts it was difficult to stop the refugee influx 'unless we have shoot orders.'

Meanwhile over 4,000 new refugees from the Chittagong hill tracts have entered south Tripura since January 15 last when the proposed repatriation was supposed to begin.

A PTI correspondent, during a recent visit to some evacuee camps, observed that refugees were yet to be enrolled as displaced persons in the records. They are deprived of rations and forced to hunt for wild fruits and roots in adjoining jungles.

Some refugees with kinsmen, already in camps, manage to take out a slice from the rations available to them. About 20 children and elderly people have already died.

"But you must consider the sheer volume of the relief effort," said Mr. D. Prakash, South Tripura district magistrate.

He said the camps were housing more people than the population of most sub-divisional headquarter towns

in Tripura.

The new refugees said Bangladesh resettlers were forcibly taking their lands, while security forces, based in Chittagong hill tracts, were forcing them to move into the re-grouping centres.

One woman from Dighinala area of Khagrachheri district said that all the male members of her family were killed while she and her two daughters, both minors, were criminally assaulted by resettlers.

When asked whether they had been instigated to come to India by the Shanji Bahini rebels, the refugees protested and said "They are few in numbers and already engaged in an unequal battle with lakhs of Bangladeshis. They have no time for instigating us."

## PAPERS REPORT FIRST MEETING OF CONGRESS-S AICC

## Sinha's Presidential Address

New Delhi PATRIOT in English 3 Feb 87 p 5

## [Text]

Congress(S) president Sarat Chandra Sinha on Monday alleged that the Government had abandoned the policy framework of planned development of the national economy evolved over the years by the Indian National Congress, reports UNI.

In his presidential address at the AICC (S) meeting in New Delhi on Monday, the former Assam Chief Minister said "Open encouragement to multinationals in the name of upgradation of technology has eroded our concept of self-reliance. The systematic assault on the regulatory framework and instruments of planned development has pushed us away from the cherished goals of socialist transformation."

The distribution of largess by the Prime Minister during his visits to various states was cutting at the root of the constitutional and administrative norms and bordered on total fiscal irresponsibility, he added.

Mr Sinha said the situation in Assam still caused "anxiety" as the Assam accord had side-tracked the genuine fears and anxieties of the religious and linguistic minorities which

had adopted the State as their home and only strengthened fissiparous tendencies.

The Mizoram accord had encouraged elements "inimical" to the national interest and the Prime Minister's open encouragement to the Gorkha "Secessionists" would only promote disaffection in the sensitive border areas, he added.

On the Punjab problem he said unless there was a massive movement to build bridges between Sikhs and Hindus, besides a conscious effort to promote communal harmony at both the political and social level half-hearted administrative steps were bound to fail.

On the international situation, the Congress(S) president said for the first time since independence, the consensus built up around the foreign policy of peace and non-alignment "is also under

stress and strain due to inept handling of the issues" by the government.

Pakistan's efforts to acquire nuclear weaponry and the steady supply of arms to it by the United States had further aggravated the crisis in the sub-continent, he added.

Mr Sinha said the government's handling of the crisis in Sri Lanka had created a sense of disquiet and given rise to misgivings, particularly in Tamilnadu.

While the country should endeavour to forge closer ties with its neighbours, it could not lose sight of national interests, he said.

"A silver lining" in the conduct of foreign policy by the Government had been the continuing good relations between India and the Soviet Union, he said, adding that the visit of Soviet leader Mikhail Gorbachev had further strengthened the ties.

## Opposition Leaders Speak

Bombay THE TIMES OF INDIA in English 4 Feb 87 p 9

## [Text]

NEW DELHI, February 3.

MR. Ramakrishna Hegde, Karnataka chief minister, stole the show at the AICC(S)

session which was addressed today by top opposition leaders, including Mr. Chandra Shekhar, Janata party president, Mr. Mir Qasim, Lok Dal vice-president, and Mr. Pranab Mukherjee, president of the Rashtriya Socialist Congress, in their capacity as fraternal delegates.

The organisers took advantage of the session by converting it into a rallying ground for assembling leaders belonging to the Congress culture. For each one of them including Mr. Sarat Chandra Sinha and Mr. Dev Kant Borooah, were part of the Congress movement. Messages of greetings were received from Mr. H. N. Bahuguna (who was indisposed and could not attend), Mr. Madhu Dandavate, Dr. Ajit Singh and Dr. Sisir Bose.

Pinpointing "pride, prejudice and ambition that exist in everyone of us" as the main obstacle to opposition unity, Mr. Hegde said that an examination of the manifestos of all political parties from the BJP to the communists, including the Congress and the Janata party, on the eve of the 1980 elections showed that there were hardly any ideological differences. Except in matters of emphasis and priority, there were no basic differences, he added.

"The country beckons us and the people demand that we get together. For God's sake, unite. If we cannot unite, we cannot blame the people, only ourselves," Mr. Hegde said. He wanted all opposition leaders to destroy their pride, prejudice and ambition for the good of the country, as only a united opposition could provide the alternative to the ruling party.

No single opposition party would be in a position to be voted into power at the Centre, he said. "The people might suffer a bad and a corrupt government but they would not vote for instability at the Centre." In the past, the Indian electorate had always given a two-thirds majority to the party in power at the Centre which demonstrated their concern for stability.

"If we expect the Prime Minister to build the opposition, there cannot be any greater self-deception," Mr. Hegde said amidst laughter. "I feel bad for my friend Sharad Pawar but why should I blame the Prime Minister for hijacking

him? Perhaps, the Prime Minister was trying to proceed to establish a one-party system," he observed.

A one-party rule was bad enough. But what was more dangerous was its degeneration into a one-party system, with which the nation was threatened. "We have criticised Mrs. Indira Gandhi about her style of functioning. But Mrs. Gandhi never ignored certain institutions in her party. For instance, every three or four months, an AICC meeting was held. Periodically, the Congress working committee and the central parliamentary board used to meet." Mr. Hegde said he found the political resolution of the AICC(S) under discussion "rather weak in its approach to opposition unity." He suggested that it came out with a more positive stand.

Mr. Chandra Shekhar did not make a single comment on opposition unity. He agreed with the political resolution of the Congress (S), which he said painted a grim scenario. He regretted that the only slogan that the Prime Minister was giving was of national unity being in danger.

A nation breaks only when the people suffer a heart-break. This was what was happening in today's atmosphere of violence and fear, when the ranks of those below the poverty line were swelling and when the "computer laganewale pradhan mantri" was ignoring the millions of jobless youths.

Without naming Mr. Sharad Pawar and his followers, Mr. Chandra Shekhar said he was not angry or hurt by their leaving the opposition. He only pitied them for their lack of self-confidence and conviction.

Mr. Mir Qasim, former chief minister of Jammu and Kashmir, wanted those who had left the Congress at different points of time for different reasons to unite. Only then could they fulfil the tasks they had wanted to complete.

Mr. Pranab Mukherjee attributed the crisis not to the massive mobilisation on the borders or to the Punjab killings but to the "shameless appeasement to forces of violence." The challenge before the nation was how to cope with organised violence. "Those in authority do not know where to go, what to do," he remarked, and they lacked courage and conviction.



## CALCUTTA OFFICE REVIEWS HISTORY OF TRADE UNIONS

Calcutta THE STATESMAN in English 2 Feb 87 p 7

[Text]

PATNA, Feb. 1.—Within a span of 67 years, the trade union organizations of India suffered splits and underwent changes 34 times, primarily due to differences at political parties' level, according to a study of the labour movement conducted by the Calcutta-based Institute for Indian Labour, reports PTI.

The study shows that any differences among leaders of the political parties—whether Communist or non-Communist—resulted in immediate division of labour unions.

According to the study, within 30 years of the country's independence, trade union movement "disintegrated" into nine "national centres".

The papers were submitted at the three-day 49th national seminar on "Role of trade unions in national development" which concluded here recently. It was organized by the IFIL in collaboration with the National Front of Indian Trade Unions.

The IFIL papers said that the first trade union of the country, the All-India Trade Union Congress, suffered a split within nine years of its formation and the Indian Trade Union Federation was born.

During the pre-independence period (1920–1947), seven National trade unions functioned in India. They were: the AITUC, the Indian Trade Union Federation, the All-India Railway Men's Federation, the All-India Red Trade Union Congress, the National Trade Union Federation, the Indian Federation of Labour and the Indian National Trade Union Congress.

## REASONS

The papers said that the splits and divisions of the labour unions and Central trade union bodies were the result of the direct con-

trol on such labour unions by different political parties.

Even after 67 years, the trade union movement in India now stands "pathetically divided" mostly on party lines and "because of extraneous reasons which are in no way congenial to the interests of the workers and their movement".

Giving an example of how division in a political party led to split in trade union movement, the papers said that the Progressive Labour Federation of Tamil Nadu was controlled by the Dravida Munnetra Kazhagam of Mr C. N. Annadurai. Immediately after the formation of the AIADMK, the federation was divided into two.

The three-day 10th session of the AITUC that began in Calcutta on November 28, 1929 under the presidency of Jawaharlal Nehru witnessed the first split in the Indian labour movement and the new trade union—the Indian Trade Union Federation—was formed.

Within two years again the AITUC suffered a second split and All-India Red Trade Union Congress led by leftist leaders like Mr B. T. Ranadive, Mr Sarabhai Kulkarni, Mr S. V. Deshpande, Mr Bankim Mukherjee and Mr S. C. Sardesai, was formed. This was the second sharp division in the Indian labour movement.

The process of rapid disintegration began thereafter. "The next 15 years witnessed mushrooming growth of trade unions weakening the labour movement in the country", the papers said.

The outbreak of the World War II marked the most decisive phase of the Indian labour movement. Within the next six years the labour unions of the country broke into two groups based on ideological lines. Some unions affiliated themselves to the Leftist parties,

while others joined either the Indian National Congress or other non-Left parties.

The papers said that this was due to the fact that during the war period, national leaders, their supporters, political parties and splinter groups stood divided on the issue of supporting the Britishers in the war.

## NON-COOPERATION

While leaders of the Indian National Congress adopted a clear policy of non-cooperation with the British Government, Leftist leaders like Manabendra Nath Roy, Jamuna Das, Aftab Ali and V. B. Karnik contended that the "war was directed against the Fascists" and advocated for unconditional support to the Britishers.

This sharp difference in their stand on the war also affected the labour front and was in a way instrumental in causing subsequent splits in the trade union movement.

During 1939–45, division of labour unions mainly stemmed from the "efforts of the Communists to force their political decisions" upon non-Communist leaders, the papers contended.

Even after Independence, political differences among the leaders of the national parties continued to divide the all India trade union federations, hampering the healthy growth of labour movement.

The Indian National Trade Union Congress (INTUC) from its birth in May, 1947 till now suffered splits and divisions four times.

After 1969, a leadership crisis cropped up in the ruling Congress that held its sway over the INTUC. Subsequently, the main INTUC body was truncated into four separate unions—INTUC (Cong R), National Labour Organization (Cong O in 1971), INTUC (I) and Rashtriya Mazdoor Congress (Cong S in 1980), the papers said.

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CSO: 4600/1438

## BRIEFS

SOVIET AUTOMOBILE OFFER--New Delhi, 1 Feb--There is now a Soviet option available to the automobile industry in the highly-visible, consumer-oriented car and jeep sector. The Soviet manufacturer of Samara cars and Niva jeeps, Avto Vaz, has signed a collaboration agreement with a company of technocrats, Asian Vehicle Industries Ltd., here, for a joint venture on terms that have never offered been by any collaborator in this sector earlier. The promoters hope that their application for the Rs 80-crore joint venture will be approved even within the stringent framework of the proposed automobile policy. The Soviets will take 30 percent of the equity under the agreement which envisages no outgo of foreign exchange, high export potential, credits at four percent interest buyback arrangements and third country selling rights. The phased manufacturing programme will begin with 35 percent indigenous content which will reach 85 percent in the fifth year. A spokesman of the new company, Mr I. R. Menon, told reporters that the Samara would cost about Rs 95,000 at the current level of taxation. [Text] [Bombay THE TIMES OF INDIA in English 2 Feb 87 p 14] /9274

CSO: 4600/1437

# SOVIETS CONSIDERED RESPONSIBLE FOR IRAQI WAR OPERATIONS

Tehran TEHRAN TIMES in English 5 Feb 87 pp 2, 7

[Text]

IRAQI Deputy Prime Minister Taha Yassin Ramadan has been quoted as saying that the aggressor Iraqi Army plans a "new style" of war against Iran that will result in vastly higher civilian casualties.

It is believed that the Soviet Union Iraq's major arms supplier, has provided new deadly long-range surface-to-surface missiles to the Baathist regime, with no restrictions placed on their use.

Certain unconfirmed reports also say that the Soviets have supplied Iraq with the ultra-modern MiG-29 fighter planes which are being kept at one of the bases north of Baghdad.

If these reports are true, then this would mean that the vast Iraqi Soviet-supplied arsenal of weapons which are used to carry out strikes against civilian areas, has now been immensely boosted.

The Soviets continue to supply these deadly weapons to the aggressor Zioinst-Baathist regime of Iraq while at the same time they maintain ambassador level relations with Tehran and every once in a while a Soviet official calls for expansion of "friendly" relations with the Islamic Republic.

Soviet missiles, rockets and bombs have been raining on Iranian cities, towns and villages as the criminal and inhuman Iraqi regime continues with its brutal "war of cities." It is also generally believed that Soviet military advisers closely aid the Iraqi Army and Air Force in launching its air and missile strikes on Iranian civilian targets.

Already large number of civilians have been martyred, wounded or maimed by weapons supplied to the Iraqi regime by Moscow. With the supply of

even more deadlier weapons to the Zionist regime ruling over Baghdad, the Soviets have truly earned the hostility of the Iranian Moslem nation and the Islamic Republic government.

The two issues which have always hampered the improvement of bilateral relations between Iran and Russia, namely Soviet occupation of Afghanistan and Moscow's support for Iraq in the imposed war, still persist. Though the Soviets have shown some flexibility towards the Afghan issue and have at least declared their willingness to withdraw their aggressor Army from Afghanistan, yet they have involved themselves in a dangerous game as far as the imposed war is concerned. The Soviets will be responsible before history for the murder of large numbers of innocent Iranian Moslem civilians.

However, there is still time for Soviets to think twice on arms supply to Iraq. If the report is correct and Moscow has really supplied missiles to Baghdad, it means that the Soviets want to see closed all the doors of Iran for themselves.

The Kremlin officials and other friends of Iraq should note that no MiG, no missile can stop the Islamic combatants from going ahead towards their destination — which is nothing but final victory and downfall of the aggressors.

/9317

CSO: 4600/149

HEAVY INDUSTRY MINISTER ON NEW ECONOMIC CONDITIONS

Tehran KEYHAN in Persian 31 Dec 86 p 2

[Text] Economic service. The seminar on "clarifying the new economic program of the serving government" continued its weekly sessions yesterday with a speech by Engineer Behzad Nabavi, the minister of heavy industries, regarding the change in the industrial structure of the country, reducing the level of dependency, and implementing the new projects promoting industrial self-sufficiency, particularly in heavy industries.

According to a report by the KEYHAN economic correspondent, in this seminar held by the Islamic student association of the college of economics of the University of Tehran on a weekly basis, Engineer Behzad Nabavi said:

The new economic program and conditions began under several headings, which can be summed up in three parts: the reduction in the price of oil, the reduction in the value of the dollar vis-a-vis other currencies, and the severe economic pressure of the enemy.

From Bahman 1364 [21 January-19 February 1986], the price of oil suddenly dropped from \$28 to \$14 and \$15 and even lower. This marked the beginning of this situation. Coupled with the problem of the reduction in the price of oil, the sale of our oil was in dollars and the value of the dollar suddenly decreased by 30-40 percent vis-a-vis other currencies.

He added: The combination of the above factors significantly decreased the currency revenues, and, given the situation of our dependent economy, which relies on other countries and which we inherited from the previous regime, we needed an authentic change and movement. The new economic conditions resulted in this change and a fundamental, logical movement was created to regulate the new conditions. In the meantime, the situation with regard to the industries was clear; our industries were manifestations of dependence.

Engineer Nabavi then referred to the situation of the foreign currency revenues of the country in the course of the past years and said:



From 1354 [21 March 1975-20 March 1976], the foreign currency revenues of the country reached \$18-22 billion, that is, with the jump in the price of oil, whereas in 1349-50 [21 March 1970-20 March 1972] our oil revenues were \$2 billion and had reached \$3 billion by 1354 [1975-76]. Suddenly in 1356 [21 March 1977-20 March 1978], we faced a figure of \$20 billion, which, calculating world inflation, is 36-40 times that of the revenues of 1365 [21 March 1986-20 March 1987]; and that level of revenues reached \$13-14 billion by 1360 [21 March 1981-20 March 1982] [as published].

As a result of the same marked increase in the oil revenues, suddenly the consumption model of the society also changed and a new model was imposed on the society, which was not appropriate to the gross domestic production.

By 1357 [21 March 1978-20 March 1979], the consumption model was similar to the that of the most developed Western countries, and even more so than that of Japan.

Homes were full of luxury items. People bought villas in Europe--even employees. In this manner, the high oil revenues were poured uncontrollably into the middle-class and upper strata of the society and the slogan of the day, that every Iranian should own a Peykan, was being materialized.

In this manner, we were consumers of whatever the Westerners consumed; but we were not producers like they were. All of this stemmed from the oil revenues.

After the revolution, we decided to export 6.5 million barrels of oil daily and build an independent industry and agriculture from the revenues, then, after five years, to eliminate reliance on oil revenues from the national economy.

After the revolution, the level of production reached 2 million barrels of oil and the price of oil increased. In my opinion, the increase in the price of oil was a conspiracy, and it would have been better if we had implemented these new economic conditions at that time.

At that time, after the U.S. economic embargo, the imam said that we have no fear, that we will fast if that is the case.

The next day, many people fasted; students came to the university fasting. At that time, the conditions and the atmosphere were ripe for easily creating the new conditions.

After the revolution, that 12-year-old consumption model had to be changed all at once. But this change took place at a very low level and gradually. The fundamental change and reform of the economic structure did not occur in the country.

The minister of heavy industries continued: In any case, the price of oil and currency revenues of the country decreased and we took these new conditions as a good omen. We said we wanted to stop dependence on oil revenues, but we

would not allow ourselves to shut down the wells and lock them up all at once. No one would permit us. Hence, the government could not take such action.

Of course, in 1332 [21 March 1953-20 March 1954], we were not the ones who would not give oil to anyone and who shut down the wells. No one would buy oil from us. They stopped the export of our oil.

Under these conditions, the total revenues of the country were \$200 million, of which \$80 million came from non-petroleum exports and \$120 million from oil. With that \$80 million in non-petroleum exports and \$100 million in such things as loans, the needs of the country were provided. At that time, the volume of the needs of the country was small, and, also, we had \$70-80 million non-petroleum exports. The situation was different from what it is now. The "thesis" that some would say, that we should stop the sale of oil, that we can live without oil, too, we said was not possible. The best "thesis" was that of 1361 [21 March 1982-20 March 1983], that is, the export of oil for investment purposes. But it was not supported. We said, from the sale of oil, make basic investments, rather than stopping the sale of oil.

From Bahman 1364 [21 January-19 February 1986], the situation took more or less the same form. We said: Suppose we have no oil. Hence, we took the positive side of the new conditions. We said: Now, we must change the industrial structure, production structure and agricultural structure. The consumption model of the society must change.

We said: Private cars must not be available throughout the society as before. In the "industrial" sector, we said: Now is the best time for reform. Let us change the direction of the dependent industries. Give priority to the needs of the war, and then we can engage in general production for the country.

Behzad Nabavi added: If we tolerate a few years of hardship, then we will come out of this new situation victoriously, we will have an independent, self-sufficient industry, and we will have generated production. We will have a bright future and will achieve an economy not dependent on oil. At the present, an important part of the war needs are provided by the reformed industry of the country and shows the priorities in the industries.

Our next move is to use the closed units to complete the production chain and reform the industrial production structure of the country and to use the capability of the units for self-sufficient products.

He then said: So far, we have issued 300 billion rials in agreements in principle and, in the course of the past three or four years, we have issued 30-40 billion rials in licenses to establish industries. Perhaps in the course of the next year or two, half of them will reach fruition. From now on, we will not issue agreements in principle for the growth and development of such units. We will say, such actions must be expanded from top to bottom. Hence, we are trying to have in-depth industrial investments.

Our next move is to expand the exports of the products of the heavy industries, which is, of course, very difficult, because our competitors in the world market are countries such as Germany and Japan, and to a lesser degree, South Korea, Brazil and even Turkey. Nevertheless, we will strive to export industrial products and gain currency revenues for the country.

According to the report of the KEYHAN economic correspondent, the minister of heavy industries, in conclusion, responded to several questions by students concerning huge industrial investments, large steel mills and petrochemical projects, and making use of the industrial experiences of such countries as South Korea and Brazil.

10,000

CSO: 4640/91

## IRAN

### AGED, INFIRM IRAQI PRISONERS FREED

Tehran KEYHAN in Persian 4 Jan 87 p 18

[Interview with Mohammad 'Ali Nazaran, secretary of the Supreme Council for Defense and head of the committee on administering Iraqi prisoners, by correspondents on 4 Jan 87; place not specified]

[Text] Political service. Continuing the humanitarian and Islamic measures of the Islamic Republic of Iran, soon 100 infirm and aged Iraqi prisoners will be freed and will return to their country through the Red Cross.

In an interview with correspondents this morning, Mohammad 'Ali Nazaran, the secretary of the Supreme Council for Defense and head of the committee on administering Iraqi prisoners, announced the above statement and explained the situation of the Iraqi prisoners in Iran, the procedure for the release of some of the Egyptian and Sudanese mercenaries, as well as the procedures for the resumption of the activities of the Red Cross in our country.

He said: Following studies carried out from late Shahrivar [23 August-22 September] to early Mehr [23 September-22 October], 100 of the infirm and aged Iraqi prisoners will be released unilaterally, and upon the request of the Red Cross, which began its activities in Iran about a month ago, they will return to their countries.

The head of the committee on administering the Iraqi prisoners added: With this request, the Red Cross is trying to compensate for some of its past violations and is making an effort to gain some respect in Iran.

Referring to the issue of the Egyptian and Sudanese mercenaries, the secretary of the Supreme Council for Defense explained why they were on the battle fronts against the Islamic Republic and said: Based on the exalted teachings of Islam, even though these mercenaries have come to war against us because of lust for money, we have given them humane, Islamic treatment and have treated them like other prisoners, in other words, not in keeping with the Geneva accords, which considers the treatment of prisoners and mercenaries to be different.

In this connection, he referred to the release of 15 Sudanese prisoners, who left some time ago for their country with Sadeq al-Mehdi, the prime minister of the Sudan, and pointed out: We expect this group of prisoners who, as reports indicate, after their release, will be kept in a camp in the Sudan, to be delivered to their families, in order to pave the way for the release of other prisoners.

The secretary of the Supreme Council for Defense also referred to the capture and arrest of a number of Egyptians who, according to him, were suspects for more than three years, in the waters of the northern part of the Persian Gulf (Iranian waters). He said: After the investigations that have been made, this group was cleared of espionage charges and the decision has been made to announce their release upon the instructions of the chairman of the Supreme Council for Defense. After the necessary procedures are taken by the Ministry of Foreign Affairs and their families have been informed, they will be released.

He clarified that the request for the release of the above-mentioned individuals, who number more than 10 persons, has been made by the Islamic combatants and clerics of Egypt, and we consider their release to be a gift to the Muslim people of Egypt.

In the continuation of this interview, the head of the committee on the administration of the Iraqi prisoners referred to the resumption of the activities of the Red Cross in Iran. Explaining the operations of this organization, he said: After the negotiations which took place between the officials of this organization and the foreign minister of our country and after the Red Cross provided and issued an apology for its past actions, the decision was made that the representatives of the above-mentioned organization would again visit with the Iraqi prisoner camps under the supervision of the committee for the administration of the Iraqi prisoners and the coordination of the Ministry of Foreign Affairs. So far, the Red Cross delegation has visited three camps and has heard nothing except that the prisoners are kept even better than the rules of the Geneva Accord dictate.

He added: It is expected that soon a report will be published by the Red Cross on its visits to the camps in order for this organization to compensate for its past actions.

Mohammad 'Ali Nazaran then explained about the cultural, educational and hygiene programs of the prisoners in various camps and announced that, with the establishment of the cultural committee for guiding the prisoners, they have participated in many activities concerning the understanding of Islamic issues, including the creation of 125 schools that include 652 classes in all the camps.

In the same connection, he added: So far, 6,052 prisoners have become literate and 7,019 are receiving literacy training. Also, so far, 1,892 athletic matches have been arranged for the prisoners and 63 libraries have been established in all the camps.



The secretary of the committee for administering Iraqi prisoners explained other activities of this committee in the area of ideological issues and said:

So far, a large number of followers of Yazid have converted to Shi'ism and also 26 Christian prisoners have converted to Islam.

Mohammad 'Ali Nazaran also announced the establishment of tailoring, saddlery, carpentry and other workshops under the heading of the work committee as among the significant activities of the committee for administering Iraqi prisoners.

In conclusion, he pointed out that so far, several hundred committed, Muslim Iraqi prisoners have requested asylum in the Islamic Republic of Iran. That request, after much investigation, has been agreed to and they have been released. This group is known as the free refugees.

10,000

CSO: 4640/91

## IRAN

### BRIEFS

NON-OIL EXPORTS UP--Tehran, IRNA. /During the first eight months of this year, 364.11 tons of goods, valued at 39,870 million rials (amounting to \$500 million), have been exported/ [in boldface]. Compared to the exports of a similar period last year, despite a 6-percent decrease in weight, this amount indicates an increase of 62 percent in value. According to the report of the center for the development of Iranian exports, during this period, about 16,760 million rials in agricultural goods have been exported , which, in terms of value, marks a 36 percent increase over a similar period last year. In all the national exports, agricultural goods made up 44 percent. On the other hand, during this same period, 4,283 tons of handwoven carpets, valued at 16,237 million rials, were exported, which made the ratio of carpets among the exports 42.5 percent. The export of carpets compared to a similar period last year increased by 132 percent in weight and 222 percent in value. The center for the development of Iranian exports points out in another part of its report: The export level for dried fruit and fresh fruits and vegetables this year reached 4,730 million rials, which is about three times the value of the export of the same products in a comparable period last year. Based on this report, the decrease in the export of textiles, shoes and household goods and the lack of export of sulphur in the first eight months of this year resulted in a decrease in the export of industrial goods. [Text] [Tehran RESALAT in Persian 17 Dec 86 p 11] 10,000

CSO: 4640/91

# JUNEJO ADVICE REGARDING SUBVERSIVE ELEMENTS RIDICULED

Karachi AMN in Urdu 21 Jan 87 p 2

[Column "From Jumma Khan's Pen"]

[Excerpts] Prime Minister Junejo, after analyzing the riots during his tour of Karachi and Hyderabad, made two suggestions: First, he said that trained subversive elements had come from across the border, and second, that the people instead of relying on the police should keep a watch over the subversive elements themselves. Before the prime minister's statement, federal Minister of Interior Aslam Khattach had stated unequivocally that no political groups were involved in the Karachi riots. But Syed Ghaus Ali Shah, chief minister of Sind, accused three major political parties--the People's Party, the National Awami Party and the National Party--of inciting riots. The people wonder whom they should believe, whether the prime minister and the federal interior minister should be considered well informed or the Sind chief minister and his health minister should be considered ill informed. The best thing for the leaders would be to sit down and put their heads together in order to come to an understanding among themselves and present a unified stand to the people. If different individuals belonging to the same ruling party express different views on the same subject, then that cannot even be considered as "pop music."

Prime Minister Junejo's advice to the people to keep watch over subversive elements instead of depending on the police appeals to me very much. I have heard and read that before the revolution in Russia, a man called Rasputin was gifted with wonderful power. It is said that any woman who looked in his eyes became his slave and that whenever he looked with anger at an object, it went up in flames. He had the power and ability to see things behind seven curtains or seven walls. If Prime Minister Junejo turns every male Pakistani into a Rasputin, then keeping watch over subversive elements would be worthwhile. Unless they acquire the ability to become Rasputins the moment they set their eyes on a Kalashnikov they will turn white with fear, when they hear shots their hearts will start palpitating, and when they see smoke coming out of a Kalashnikov they will raise their hands to the sky and say "May God keep us safe."

If the prime minister does not know how to turn people into Rasputins, then he should seek from the United States or Britain a prescription by means of

which every woman in Pakistan becomes as beautiful as "layla," and whenever she looks at a murderer, a subversive person or a criminal he will drop his Kalashnikov on the ground calling "layla...layla," and people gathering on hearing this noise can easily catch the "majnun" and hand him over to the police.

The question that arises is why the people should not trust the police. Are they being paid for doing nothing? Why is it that incidents take place in Karachi that never occur in any other city in the country? Have the Karachi police been brought from somewhere else? Do they consist of non-Mulims and non-Pakistanis? Is the training given to the Karachi police different from that given to the police in other parts of the country? Even though most of the individuals or officers among the Karachi police are not from Karachi, who can claim that they are not Pakistani Muslims? So there is no reason we should not look upon our police as our guardians and accuse them of disrespect and of violating the sanctity of our homes. It is the duty of the police to help the citizens.

The notion that the police are charged with safeguarding the law should be promoted. But if instead they engage in committing excesses with regard to citizens, taking bribes, supporting hooligans and taking advantage of the curfew to set fire to shops or break into jewelers' shops and steal jewelry worth 4-5 lakhs of rupees, then we can only say that apparently the only duty of the police is to help themselves.

General A'zam Khan, a former federal minister and a former governor who was involved with the first martial law imposed by Ayub, said that an ill-famed administration and police such as those in Karachi are not to be found in any other part of the world. Emphasizing the need for Syed Ghaus Ali Shah's resignation, he said that it is the duty of the entire nation to prevent the return of martial law in the country for a fourth time.

Such medals awarded by General A'zam Khan to the Karachi administration and police authorities are not ones that any Karachi official could wear proudly on his chest. As to the authorities that appoint the administration and the police, General A'zam's comments should make them hang their heads in shame. All Pakistanis are well aware of the fact that the desire for power and authority drains people of any sense of shame, self-respect and dignity.

God alone knows what magical power the person whose name includes "Syed" and "Ghaus" as well as "Ali" and "Shah" possesses that General A'zam should call on him. There was a time when General A'zam held a high position and had power and authority by virtue of which he forced Iskander Mirza to resign and go into exile. But now he has no power or authority. If he said that Syed Ghaus Ali Shah should resign for the sake of law and order in the province, especially in the capital, Karachi, then the reply he received may have been that he could leave by the back door.

As for the question of preventing the imposition of martial law for a fourth time, we were not able to prevent martial law for the first, second, or third time, so how can we prevent it a fourth time, or for that matter, a fifth

time? The principle that might is right has always been the guiding principle in this country. General A'zam did not stop the second martial law and he allowed the third martial law to continue for 8 years. Now if martial law is about to be imposed for the fourth time, then how can people who do not even have a stick in their hands prevent it? We must acknowledge in all fairness that we are making some decisions here on earth whereas some decisions are being made for us in heaven above. The decisions made in heaven are a result of our actions and we do not have the power to change these decisions.

9315/13046

CSO: 4656/47



REPORT TAKES IN-DEPTH LOOK AT AFGHANISTAN POLICY

Perception on Afghanistan Viewed

Lahore VIEWPOINT in English 5 Feb 87 pp 11-13

[Text]

THE MOMENT of truth has come. Intense activity is going on in world capitals, including Islamabad, as to what to do about the Afghanistan problem in the face of the Soviet Union's readiness to withdraw its troops and the Kabul Government's unilateral ceasefire and move towards national reconciliation. The proposition at the forthcoming Geneva round, simply put, is: here is a possibility for everyone to save face and end the agony of the people of Afghanistan and Pakistan. And nobody except the Cold Warriors have the means to spoil this chance.

The need to save face arises from a divergence of perceptions of the central issue in Afghanistan and the policies these views have engendered. It is time all parties to the issue took a second look at the conflict that should not have begun and responded to the call of reason.

**Rooted in history**

The issue concerns, first and foremost, the people of Afghanistan. Their problem is rooted in history — the problem of forging a backward, tribal society into a modern State. The clash of interest between conservative tribals and the proponents of a centralised State has been going on ever since Ahmad Shah Durrani founded the independent State of Afghanistan a little over two hundred

years ago. The tussle took the form of armed conflict every time the throne of Kabul fell vacant. Only a couple of rulers acceded to power without a civil war and the losers almost invariably found refuge in British India from where those supported by the British could launch their bids to capture Kabul. More than once did the British help a pretender-Sardar to ascend the Kabul throne (for example Shah Shuja, Dost Mohammad). Their forward policy, in which they persisted for a whole century, was ostensibly aimed at preserving a buffer between their empire and the Czar's.

The British, however, wanted Afghanistan not only to be a buffer but also to remain a backward country. They had good reason to look at a modern, developing, independent Afghanistan as a threat to their British Indian possessions. By the first decade of this century, this policy had begun to be rejected even by the Afghan autocracy. King Amanullah had to wage a war and declare formal independence before he could win the right to freely establish diplomatic relations with foreign countries, to set up a radio station, to build roads, and to send girls to schools. He could not forget that the new Soviet State, which had disowned all of the Czarist policies, was the first to

recognise Kabul's independence and had installed its first radio station. Nor did the British and the religious-tribal conservatives. The two joined hands to overthrow Amanullah Khan and promptly fell out among themselves because the British were as much afraid of religious diehards in Kabul as of a progressive monarch. Gen. Nadir Khan was helped to occupy the Kabul throne.

Both Nadir Khan and his son, Zahir Shah, faced the problem of keeping the tribal-religious chieftains quiescent while they took the minimum steps necessary to modernise their country. They were no radicals but in their own interest and in the interest of the ruling elite they had to undertake economic and social development, raise a professional army, set up a rudimentary administration, and promote education. A clash with the tribal leaders and the Mullahs was inherent in the situation but Zahir Shah avoided confrontation by following a policy of minimum central control.

### Desire for speed

The king's cousin and Prime Minister, Sardar Daud, had higher nationalist ambitions, he wanted the pace of modernisation to be speeded up. There was only one source – the Soviet Union – from where he could get help to build roads, buy industrial machinery, train officers for the army, and he seized the opportunity, forcing the Western countries to compete with Moscow for his favours. For quite some time Afghanistan became a model Third World country that could secure aid from both the Socialist and the Western camps. Daud's policies threatened the interests of the conservative sections and the king himself; therefore, he was sacked from Prime Ministership.

But the seeds of change had been sown. The cause of modernisation had found considerable support among the educated Afghans, bureaucrats and army officers included, and the rising Left and moderate political groups. Monarchy became redundant and Daud abolished it in an easy coup – not a purely military

coup d'etat but a semi-democratic operation in which both services and civilians took part. In turn, Daud faced the dilemma he had confronted Zahir Shah with – the pressure from relatively more radical elements who, too, wanted the process of social change to be expedited. He preferred confrontation to mutual accommodation and the result was the Saur Revolution of 1978.

### Impact of Saur

This revolution brought the decades-old clash between modernists and conservatives to a head. It is correct that the latter had seen the danger signals in the sixties and early seventies and had begun their opposition to Kabul's efforts to extend the State apparatus and promote social and religious reform (it was the Zahir-Daud regime that had initiated anti-clergy measures by creating *-Auqaf*, fixing religious festival dates, and prohibiting certain practices at shrines, etc). But what happened in April 1978 threatened the entire tribal and religious hierarchy, their power and privileges. This was not a mere change of government, not a coup, but a change of system. Power passed into the hands of a political party which was ideologically committed to an order based on democracy and social justice. All the threatened interests realised they had a fight for survival on their hands. Since the change affected a considerably large section of the population, they were able to recruit many people on their side. The new Kabul rulers helped them to some extent by displaying more zeal for reform than the conditions warranted and by their failure to forge unity among themselves.

The situation in 1978 was that Afghanistan was once again plunged into civil strife – with the conservatives up in arms against the Kabul Government. This was an intra-Afghan conflict which concerned no one except the Afghans themselves and they could have resolved it one way or another. But this was not to be. The conflict was quickly internationalised.

### Pakistan's view

The first outside party to be dragged into the conflict was Pakistan, and that, too, by a quirk of history. The people of Pakistan had sympathies with modernists for decades, partly because the two sides had a common enemy — British imperialism. They had sympathised with Ananullah, not with Bacha Saqqa. In 1947, they had a rude shock when Kabul made irridentist claims on their territory but they soon realised that each political change in Kabul made Afghanistan friendlier towards Pakistan. In the internal Afghanistan conflict between secular modernists and religious fundamentalists, they could never support the latter because Pakistan's founders had categorically rejected theocracy. But a tragic coincidence supervened. The Saur Revolution happened, and the fundamentalist challenge to it emerged, at a time when Pakistan had fallen a prey to religious revivalists and the strife in Afghanistan appeared to offer them a chance to establish a theocracy there even before they could do so in Pakistan. Barely a month after the Saur Revolution, international Press had started reporting claims of guerilla action by factions based in Peshawar and Afghan refugees started arriving in Pakistan. The chance of making the Durand Line a border of peace was missed by what Z.A. Bhutto described as failure to distinguish between a military coup and a revolution.

Pakistan knew that it could not in fairness side with a party in the Afghan civil war. It, therefore, denied offering military help to 'Mujahideen', defended help to refugees on humanitarian grounds, and assured Kabul of its normal goodwill. But the help the guerillas could get from outside, with or without the knowledge of Pakistani authorities, made the Kabul Government's task of consolidation difficult. In despair they called for support from the Soviet Union which sent in its troops. The alliance between Afghan and Pakistani fundamentalists had then to look for overt foreign assist-

ance but although the OIC passed resolutions and released money its own resources were inadequate to keep the military conflict going. The USA was only too willing to jump in — it had already been offering covert aid to the guerillas — but Pakistan had to weigh the security risks. Mr. Carter's 'peanuts' package was inadequate and, therefore, in 1981 a broad security understanding accompanied a 3.2 billion dollar aid package. The U.S. aid to the guerillas could be stepped up. Since then escalation has continued.

### Miscalculated

The authors of this Afghan policy miscalculated on a number of points. While mobilising the OIC behind them they overlooked the division within the Muslim States and over-estimated the Conference's effectiveness, although they should have known better in view of OIC's failure to solve any issue — e.g. Palestine, Al-Aqsa, etc. They also over-estimated the effect of a favourable U.N. vote although they knew that a massive U.S. General Assembly vote could be immoral (e.g., the vote against China's admission to the world body), or ineffective (e.g., the vote on East Pakistan crisis, Kashmir). They also failed to realise the inevitable effects of keeping a large body of refugees on their territory. Above all, they did not consider the possibility that the 'Mujahideen' could lose the battle on the ground despite all the aid given to them. On all these points the events have turned out contrary to Islamabad's assumptions.

### U.S. interests

The second outside party to get involved was the United States. It could not approve of the Saur Revolution because it has never accepted any developing country's right to adopt the socialist system. Further, the change in Kabul upset Washington's plans to persuade Daud to fashion his non-alignment in its favour. It, therefore, chose two options, aiding the 'Mujahideen' on the quiet and exploring the

possibility of understanding with Kabul (especially during Amin's Presidency). The assassination of U.S. C.d.A. Dobb in September 1979 and Amin's overthrow in December 1979 closed the latter option. Meanwhile, the Iranian Revolution had taken place (Feb. 1979) and the U.S. was worried about its oil pipeline. Mr. Carter saw in the presence of Soviet troops in Afghanistan a threat to the U.S. freedom of action in the Gulf and said so in so many words. (This was later confirmed when Carter failed in his bid at armed intervention in Iran during the hostage crisis. And that this was the matter and not love of the Afghans that determined the U.S. policy has recently been confirmed by Mr. Deane Hinton). The prospect of turning Afghanistan into a Soviet Union's Vietnam and spoiling Moscow's image in the Third World was too alluring to be passed over. Washington jumped into the conflict with unprecedented zeal and has been supplying the guerillas with more and more sophisticated weapons.

Washington, too, miscalculated on several points. It failed to realise that its argument of the right to use arms (through proxy fighters) to push the Soviet troops out of Afghanistan, because they could threaten its vital interests in the Gulf, could not be accepted as legitimate long after the passing away of Hapsburgs and Palmerstons. It also failed to notice that the Soviet Union could return the argument by saying that if U.S. had a right to destabilise a regime believed to be hostile to its interests in an area thousands of miles away from its shores, Moscow also had a right to resist the planting of hostile regimes right along its borders. Moreover, the U.S. also did not reckon with the possibility that the 'Mujahideen' could lose the fight.

### **Soviet choice**

The third principal party sucked into the conflict was the Soviet Union. It might have been wary of

Sardar Daud's cautious moves to come closer to the West but it faced no serious crisis in Afghanistan in 1978. There is no evidence to suggest that it had a hand in the Saur Revolution. It might well have been a little worried at the revolutionary fervour of the PDPA in view of the latter's unsure base in the population. But after April 1978 Moscow had no option but to help the Kabul authorities with the means of consolidating their hold. In December 1979 it faced a critical question – a choice between risking a hostile regime in Kabul and inviting the opprobrium of sending troops into a neighbouring State. It took the second option and provided Kabul with the means to beat off the 'Mujahideen'.

Of all the parties, the Soviet Union had to take the most serious risks. It knew that the Soviet people would not like to get into a war outside their country. It also knew that its action would invite U.S. retaliation, that detente would be affected, and that Moscow's goodwill as an ally of the Third World would suffer erosion.

The Soviet experts may not admit it but they also miscalculated on several points. Their hope that Pakistan could be persuaded not to side with the Afghan dissidents – and Islamabad was the first to be reassured in December 1979 – proved to be unfounded. They also miscalculated the role radicals in the OIC or in NAM could play to contain the conflict. They, perhaps, also could not realise the size of the 'Mujahideen' effort or the level of outside help that could be available to them.

Where do the parties stand in February 1987?

### **Consolidation**

The Afghan combatants first. The DRA Government in Kabul has materially improved its position over the years. It has enlarged its civilian cadre and is better placed to influence the rural areas; it has raised the

strength of armed forces by about 300 per cent; it has fostered a women's emancipation movement; and it has shown that enough Afghans are there to fight for progress. It apparently considers it safe to accommodate moderates among centrists and the tribal leadership within the power structure. As opposed to the rival conservatives' assertion that they will not accept any non-fundamentalist in coalition, Kabul authorities have made good capital out of their willingness to establish a government of national unity.

The conservatives fighting the DPRA Government have lost ground heavily. They have alienated the moderates and reduced their ranks to fundamentalists. They have lost the support of rural communities who had earlier on joined the fight and now they have to fight with the help of more or less professional soldiers. This has reduced their manoeuvrability on the ground. Their strongholds have been cleaned up — even Masud Shah is out of Paktia. The channels through which they received arms have been plugged and now they have difficulty in obtaining food supplies even. Even the guerilla commanders have begun to press for compromise and peace. If the arms pipeline is cut off, the Kabul forces could speedily enforce order.

Pakistan finds itself in a quandary. It has already paid a heavy price for its Afghan policy. The domestic pressure for an immediate settlement cannot be resisted. To keep the conflict going is to invite grave dangers to security and internal stability. The hope of a guerilla victory has disappeared. And on top of everything Moscow seems prepared to give a time-table for troop withdrawal that few in the world would consider unreasonable.

The Americans are similarly in a fix. The heyday of Reagan saure-

rattling is over. The European allies are getting tired of the global confrontation. The new Soviet leadership, with its peace offensive and its programme of internal reform, has created for itself tremendous goodwill worldwide. The prospect of a Democratic victory in the next Presidential election has sobered up the hawks at the Pentagon. And a lame-duck administration does not have the means to allay Pakistan's fears of the consequences that continuation of the Afghan war would entail.

The Soviet Union is not free from doubts either. It is not sure whether the Kabul Government will be as stable as it seems now. It has no means of knowing what the US-aided guerillas could do to raise their fighting power between cessation of hostilities and its troops withdrawal. Indeed, the Soviet Union may be the only party to see any risk in peace, but at the moment it seems ready to take all the risks.

The biggest mistake at Geneva has been a futile, and politically wrong, attempt to solve there the age-old conflict between Afghan modernists and fundamentalists. All that should be expected at Geneva is to end internationalisation of the conflict and return to the position of April 1978: No outside agency has a right to demand restoration of the pre-1978 order. Once this limited objective has been achieved, the Afghan dissidents will be free to contend for power as they wish or are capable of doing, though even then Pakistan at least would wish to have a peaceful Afghanistan by its side.

If the Afghan problem is viewed in this historical context, it should not be impossible to realise how futile the whole fight has been, or to see the possibility of saving face at Geneva by whosoever is afraid of losing it. — IAR



Lahore VIEWPOINT in English 5 Feb 87 pp 14-16

[Article by Air Marshal (Retd) Zafar A. Chaudhry]

[Text]

EVENTS taking place in Afghanistan since 1979 have had a profound influence on our lives in Pakistan, both at the personal and the national level. True, Afghanistan had always been a difficult neighbour. However, despite its pointed unfriendliness, it must be recalled with satisfaction and gratitude that Afghanistan did not attempt to embarrass Pakistan or seek to redress its grievances when Pakistan was engaged in a life-and-death struggle against India in 1965 and again in 1971. In fact, Pak-Afghan relations started improving after the advent of a democratic regime in Pakistan and the return to power of Sardar Daud Khan in 1973. There were indications that Afghanistan would soon renounce its claim over parts of Pakistan's territory and accept the Durand Line as the international frontier, thus removing the basic cause that had estranged the two countries.

#### April 1978 & since

It was at about this time that Sardar Muhammad Daud Khan was overthrown by a military coup, bringing into power forces that espoused socialism and sought to overwhelm by force the largely tribal and religious hierarchy through whom the country had been governed for centuries. As we all know, the opposition of the people to the new order could not be crushed by the socialist rulers who were obliged to seek assistance from and intervention by the Soviet Union. The Soviets have not only supplied large quantities of weapons but have also sent over 100,000 troops to quell the popular uprising. Dissidents and their dependents, numbering several million, have taken refuge in Pakistan, a much smaller number having gone to Iran.

Pakistan has provided certain basic necessities of life to the Afghan refugees, for which purpose it has received very substantial financial and material aid, mainly from Western countries and International Agencies. The United States is providing large quantities of weapons to Afghan dissidents, the quality and the degree of sophistication of which are steadily improving. Despite repeated official disclaimers by Pakistan, the international and American media openly state that these weapons are routed through Pakistan with the active support and connivance of the authorities. Some sources also contend that the Afghan dissidents have established arms dumps and military camps in Pakistan, all of which is emphatically denied by our Government. Large-scale assistance to the Afghan dissidents by several countries inimical to the Soviet Union has created a situation in which the Afghan rulers have not been able to quell the rebellion of the Mujahideen who appear to hold sway over large areas of the country. Bitter exchanges take place repeatedly in which fairly heavy losses are suffered by both sides.

#### Effect on Pakistan

The effect of these events and cross-currents on Pakistan may be summarised as follows:

1. Pakistan has become what the U.S. calls a 'frontline State' and has, therefore, started receiving large-scale military assistance from the U.S. to bolster its position vis-a-vis the Soviet-supported Afghan regime.

2. The international Press is convinced that a substantial portion of the aid intended for the Afghan refugees is waylaid by some agencies in Pakistan, both Government and those belonging to certain political

parties. This has become a major source of funds and weapons flowing into certain political organisations, giving them a bigger clout than they could ever hope to obtain through the ballot box. Sophisticated weapons are bought and sold almost as freely as meat and vegetables and their use in university campuses and political rallies, and of course by the rapidly growing mafia, has become commonplace. Klashnikov has become a household word and has brutalized a society that until recently had viewed personal weapons with awe and suspicion.

3. A large number of Afghan refugees have become a part of Pakistan's economy, working in factories, engaging in commerce and buying property in different parts of the country. Having grown such roots here, it is doubtful if many of them would ever wish to return to their homeland.

#### Conduit for narcotics

4. The refugees are the principal conduit through which drugs are exported from Afghanistan and the tribal areas, earning huge profits for growers, processors, carriers, facilitators and those who provide protection for this illegal and immoral trade. The resultant corruption of the various agencies and individuals involved in Pakistan has become endemic, extending even to some high Government officials and influential businessmen. This has further impaired the national fabric.

5. Drug addiction, practically unknown in Pakistan only a few years ago, is now rampant.

6. As Pakistan is the principal spring-board for the continued resistance of Afghan dissidents, the Kabul authorities are sending an increasing number of agents and saboteurs to Pakistan to indulge in acts of murder, arson and terrorism to destabilise the economy and the structure of our society.

7. There is serious apprehension that Afghan and Soviet forces would begin to exercise their right of 'hot-pursuit' and would launch punitive air and ground strikes across the

border with Pakistan. Should Pakistan retaliate against such aggression, the conflict would extend and escalate, sucking the whole country into an undeclared war with the Soviet Union, perhaps not directly but certainly vicariously.

#### Political fall out

8. The events in Afghanistan have led the Americans to support and bolster the Martial Law regime in Pakistan, whether it acts under its own flag or masquerades behind a facade of democracy. This policy of the U.S. makes it turn an expedient blind eye to the real wishes of the people of Pakistan and the suffering they endure because of the persistent denial of their fundamental rights as enshrined in the UN Declaration of Human Rights — a monumental charter to which Pakistan is a signatory and to which our leaders never tire of paying lip-service while they are, in fact, busy desecrating its substance and essence.

9. The steady decline of the norms and standards of our society has been accentuated by the polarisation of the various political forces in the country — a process that has reached explosive proportions because of the sharp differences over the course that needs to be followed to solve the dispute with Afghanistan. Thus, the continuation of the Afghan problem has the effect of splintering our people to such an extent that they have ceased to think and act collectively. This exacerbates the dormant divisive and centrifugal tendencies and weakens the spirit of cohesion that is so necessary to weld any people into a nation.

#### Guidelines of a solution

Eventually, the Afghan problem will be solved, one way or the other. If we are realistic and wise, the solution will be to our advantage and will strengthen the country. If we are foolish and ride the turbulent tide of emotion, we shall only succeed in injuring our real interests and courting wholesale disaster.

I would like to suggest that the following factors need to be kept firmly in view while seeking a solution of the Afghan problem:

1. The present policy of not dealing directly with Afghanistan has proved a failure, resulting in a continually increasing number of Afghans seeking refuge in Pakistan. They bring in their wake many social problems and cause a serious deterioration of the law and order situation. Innumerable meetings under the aegis of a UN mediator have produced no tangible result. It would, therefore, be unwise to pin our hopes exclusively on this mediation effort. Whatever else may or may not happen, the present conflict must not be allowed to expand or escalate; otherwise, there would be a serious risk of hostilities spilling across our borders and embroiling us directly in the global conflict between the two super-Powers. This would be a disaster of immense proportions and must be avoided at all cost

### Our interest

2. While strengthening friendships and thanking those who offer to help us, we must single-mindedly follow our *OWN* national interest and not allow our country to become a pawn in a game played by others through remote control. Continuation of the Afghan dispute is directly harmful to our national interest. Should some of our friends wish to prolong this conflict for their own reasons, we should certainly not be willing to become a tool in their hands, even if it means a few more tanks and planes for our forces and a sturdier chair for our rulers.

3. Mr. Gorbachev has recently made statements that are more conciliatory towards Pakistan than anyone could have expected. He refused to align himself with the hostile Indian posture against Pakistan and, at the risk of annoying his hosts, extended a hand of conciliation towards us. In Pakistan's own national interest this offer must be taken seriously and every effort made to solve the Afghan dispute through direct negotiations with Afghanistan and the Soviet Union who really holds the key to this

problem. It would be foolish to expect a Super-Power to eat humble pie and agree to vacate Afghanistan without securing its flank. Super-Powers are understandably sensitive about the emergence of a threat on or close to their borders — a fact that is evident not only in Afghanistan but also in parts of Central America. With this background, Mr. Gorbachev's assurance of accepting a neutral Afghanistan is to be welcomed and commended. This initiative must be fielded positively and purposefully, for it may well be the last opportunity of ridding ourselves of the Afghan millstone with dignity and honour. As time goes on, there will be a greater risk of Pakistan being by-passed by the principal adversaries and its becoming a helpless spectator of a struggle that will continue to threaten its security and solidarity. We must, therefore, fully exploit the leverage we currently possess and secure a satisfactory solution of the problem. Intransigence on our part at this juncture, and the resultant prolongation of the dispute, may possibly benefit a super Power with whom we have close relations. But for us, notwithstanding the advantages that accrue to certain vested interests, a prolongation of the dispute can only mean an unmitigated national disaster.

Let us be quite clear: we are in trouble — deep trouble. Our society is eroding and our national fabric is in tatters. Extreme selfishness, greed, corruption, intolerance and blatant perversion of our sublime faith have caused us to lose direction. We are treading a path that does not lead to progress, enlightenment and real freedom, and was never the goal of those who founded the country. Hypocritical platitudes have become our favourite fare: we preach honesty but lie without compunction and steal at the first opportunity; we emphasize the need for unity and brotherhood, and then turn on our own brother; we talk of tolerance and freedom of thought and belief, and then gag the Press and imprison those who dare to speak their mind,

we boast of the rule of law, and then cripple the judiciary and frame laws and ordinances that are the very negation of equity and fairplay. As if all this was not enough, while continuing to proclaim non-alignment from rooftops, we also involve ourselves in super-Power rivalry and get sucked into a conflict that is sapping our strength and closing the ring around us. Fortunately, opportunity has knocked loudly and there is still time to get out of the advancing quicksand. If we fail to act wisely, if we do not display real statesmanship, and if we do not serve the real interest of our country at this critical juncture, the verdict of history may be very cruel indeed.

#### Economic Costs Analyzed

Lahore VIEWPOINT in English 5 Feb 87 pp 16-18

[Article by Shahid Kardar]

[Text]

THE DIRECT and indirect political and economic repercussions of what has come to be known as our Afghan problem has been a controversial subject ever since we tied our fate to the global interests of the U.S. foreign policy and the whims of American decision-makers. However, after Gorbachev's recent offer it has acquired a central position in public debate. This article is confined to a discussion of the economic consequences and how the Afghan issue has become an important factor both at the micro and macro levels.

To evaluate the economic impact of our Afghan involvement we have to view the effect from three standpoints:

i. the nature of the role and the degree of involvement of the Afghan refugees in the domestic economy;

ii. the economic problems of pursuing such a foreign policy at the behest of the U.S. and the likely drain of resources in the future because of increased dependence on doles from the U.S. Government;

iii. the influence of the United States on our economic policy as a result of this increased dependence on U.S. aid.

Let us briefly examine each of these factors.

#### Refugees in cities

The Afghans are ostensibly confined to their refugee camps, sites to which most Western dignitaries are taken and which supposedly symbolise the brutality of the Russians, the heroism of the 'Mujahideen', and our principled stand and great humanitarian deed. But the presence of Afghans in a number of urban centres — be it Sohrab Goth in Karachi, the streets of Lahore, or the more prosperous residential areas in Peshawar — is causing considerable social and economic strain, at least in the NWFP. How are these Afghans upsetting the socio-economic balance?

The Afghan presence, the expansion in trade of heroin, and the

abundance of a whole range of sophisticated weaponry, are closely connected. The 'Mujahideen' have been disposing in the domestic market at a large profit a significant proportion of the arsenal provided to them by the United States to fight and embarrass the Russians in Afghanistan. The rapid increase in the number of retail outlets all over the country (according to some estimates, by over 50 times) in the last seven years dispensing arms and ammunitions is proof enough. The amount of arms freely available is frightening. For instance, in Karachi, even before the recent disturbances, Klashnikovs were available on hire — at a nominal rental — for the weekend. Even leaving aside the potential this has created for aggravating social unrest and law and order, it is diverting the limited investible resources and a sizeable chunk of the purchasing power into unproductive channels, thereby distorting the domestic demand pattern.

#### Transport, consumer goods

The Afghans are actively engaged in the business of road transportation. In fact they have acquired a prominent place in this activity. In the early days they used the vehicles provided by the aid-giving agencies to transport goods and were able to under-cut local transporters. As the trucks had been donated to them, they did not include the price of the truck in the determination of the haulage rates and were thus able to take a lot of business. Now they are pretty well entrenched in this business sector. A visit to the SITE area in Karachi around Benaras Chowk, where they park these vehicles on vast stretches of land acquired at premium rates, will provide sufficient evidence of their economic strength and the extent of their control over this sensitive sector of the economy.

It is also well established by now that the arrival of the Afghans has eased the availability of imported consumer goods. Of course, the migrants to the Middle East and the duty free shops have contributed considerably to the flooding of the

local bazaars with a whole variety of imported consumer goods, ranging from basic things like razor blades, cosmetics, chocolates, butter and jams to electronic gadgetry, but the 'contribution' of the Afghans has somehow gone unacknowledged, specially of Russian made goods (cloths, electrical goods, etc) The one time infamous Baras near Peshawar can now be found throughout the country, in every important town or city and within each city in all the areas and mohallas inhabited by the relatively well-off.

The Afghans are also becoming a force to reckon with in the carpet industry. To most residents of Karachi and Lahore the Afghans in the carpet industry are those selling carpets by the roadside. Little do they realise that the Afghan-made carpets are now being exported by many a carpet dealer — Afghani carpets are apparently quite popular these days in Europe. The better off and well-connected Afghans are now even setting up showrooms to display their own carpets. Their carpet cottage industry is competing freely with ours and is, therefore, a threat to the domestic carpet industry and, more seriously, a threat to the jobs and incomes of thousands of poor households.

#### Jobs taken away

Upto July 1986, over US \$ two billion worth of aid for Afghan refugees had been provided by the Western and Arab countries. Some of this aid was channelled through the highly corrupt Pakistani bureaucracy and was siphoned away into private coffers. Some of the aid in the form of food and clothing found its way into the local bazaars. The money (including assistance in kind) which actually reached the Afghans enabled some of the more enterprising ones to under-price themselves in the domestic labour market. They, therefore, managed to take up a number of jobs in the private sector which would otherwise have gone to members of the native labour force.

In the NWFP they are taking up an increasing number of the few



employment opportunities being generated in the private industrial, commercial, construction and informal services sector. Thus, their forcible occupation of some agricultural land and the way in which some of the better off Afghans (through their trade in heroin, arms and smuggled consumer goods) have raised the price of real estate, especially in Peshawar, and have caused considerable resentment.

### U.S. aid

To evaluate the impact of the aid given to Pakistan by the Americans to counter the so-called Russian threat, and to soften the blow on the economic resources supposedly stretched by the need to respond to subversion from across the border, let us begin with recalling the components of the 3.2 billion dollar package and the new offer of 4.02 billion dollars. The former comprised military aid of 1.6 billion dollars and economic aid, mainly in the form of a grant, of 1.6 billion dollars while the split in the case of the latter is military aid of 1.74 billion dollars and economic aid of \$ 2.28 billion, of which \$ 1.8 billion is to be in the shape of a grant. The military equipment is being sold at prices higher than we would have had to pay if the purchases had been made in the open market through competitive bids. By tying our foreign policy to the strategic and global interests of the U.S., we have been left with little choice but to make these military purchases.

The military equipment is being provided in the form of interest-carrying loans — for the present package on commercial terms. The debt-servicing requirements of these loans — interests and repayments of the principal amount — promise to place a very high burden in the face of declining remittances, a devaluing rupee, rising debt service payments on borrowings made to finance development expenditure, and a worsening climate for economic aid on concessional terms. Over and above the problems that will be encountered in repaying these loans,

the recurring expenditure (again at high prices because we would now be the captive customers of the equipment supplier) that will have to be made in the future on repairs and maintenance of this equipment to keep it in working condition will in itself place a severe strain on the meagre foreign exchange resources.

### No help to economy

As regards the economic aid, although it is ostensibly in the form of grants it has made practically no contribution to the economy. It has not raised the productive capacity in any sector of the economy and it is easy to see why. Almost 30% of the aid has gone back in the form of payments to American consultants for advisory services — most of which (as reported by associates and close friends) were imparted by highly incompetent professionals from America, who were not only totally oblivious of local conditions and requirements but also knew little about their own area of expertise. Another 30-35% was spent on plant and equipment largely inappropriate in view of either local topography or of available personnel skills. Again, as in the case of military hardware, the equipment was sold, in the absence of competitive bidding, at inflated prices; a significant percentage of which was purchased from companies in financial difficulties and who had to be helped to save Americans' jobs. A high proportion of the equipment will either never be used or even when it is used sparingly it will not be economically feasible to use. As for the balance, it found its way into unproductive sectors or into areas motivated by the U.S. Government's strategic interests, physical infrastructure like roads and airports in Baluchistan. There is to date nothing of note that the U.S. economic aid has achieved, and given the framework within and the considerations under which it is operating it is unlikely to do so in future.

Let us now examine the economic policies being forced upon us by the Americans under the aid programmes.

The mainsprings of the policy package being actively promoted by U.S. AID under its aid programme are greater privatisation of the economy, more liberalisation, greater reliance on market-forces, phasing out of subsidies for wage goods (like food), encouragement to exports, more reliance on imported capital goods and technology for agricultural and industrial growth.

### Who will suffer

It should be obvious to the more perceptive observers that such a prescription will increase dependence on external markets and exports of primary commodities at a time when protectionist barriers are getting higher and the terms of trade at which we can sell our products vis-à-vis the prices we are likely to pay for goods from developed countries are not likely to improve. This shrinking of the market for our products while our markets become more open to the manufactured products from the developed world, especially the U.S., will put a severe pressure on the economy, the cost of which will ultimately have to be borne by the salaried lot and the poorer sections of society — cost in the shape of reductions in the social welfare activities of the Government.

US AID is citing the excessive protection to local industry from external competition, and the various constraints because of industrial and import licensing policies faced in improving the internal competitive situation, as the reasons for the measure aimed at the relaxation of these barriers and at easing the industry entry problems for new would-be competitors. The liberalisation drive is to be supplemented by the rationalisation of fiscal policy so as to stimulate investment and production (and thereby employment and growth) through income tax cuts and revamping of the structure of indirect taxes.

The need for greater privatization of the economy is being sold to us in the name of efficiency (in production and management) by exposure to more competition, in order to promote and protect 'public interest'. Private ownership of what were earlier regarded as public assets is being encouraged under this policy and the public sector is being asked to step out of some of the areas which were considered to be its prerogative in the seventies. It is another matter, however, that the Pakistani businessman is not displaying any penchant for acquiring, or investing in, any of the large, long-gestation projects being proposed.

### Demand

All that will happen as a consequence of choosing this course is that the luxury goods producing sector will (as is being found) get an extra fillip from these measures. Nothing of note seems to have taken place either in the export sector and the mass consumption goods sectors, because the breed which forms the Pakistani industrial and trading classes is primarily interested in getting a large share of the limited wealth of the nation over as short a time period as possible. They will not, and cannot, under the present state of political and economic uncertainty, respond to such incentives. Hence, the needs of the poor for cheap wage goods will not be catered for as the demand for these goods will not be backed up by sufficient purchasing power.

The Americans are also arguing in favour of encouraging foreign investment through even more tighter controls over labour (they seek a 'disciplined' labour force in terms of attitude, employers' hiring and firing powers, etc.), improved access to foreign investors of finances (borrowings) from the domestic market, permission to borrow from

abroad at higher interest rates and for shorter periods, relaxation in the regulations in respect of the amounts and periods for royalty and technical fee payments for imported processes. What these proposals imply needs no elaboration; the implications that flow from their adoption are fairly obvious.

What this brief review reveals is that as a consequence of the high degree of dependence on U.S. aid not only are we unable to conduct a foreign policy suited to our interests but that we are also unable to fashion our economic policies independently of American demands and desires, and that we will have to pay a heavy penalty in economic terms for persisting in the Afghan policy for so long.

### Pampering of Fundamentalists Charged

Lahore VIEWPOINT in English 5 Feb 87 pp 19-21

[Text]

ALTHOUGH the cease-fire offer from Kabul, to help bring about a negotiated settlement over the war in Afghanistan, was rejected out of hand by the Afghan guerilla parties, their leaders in Peshawar still remain bitterly divided and disunited.

The announcement of the cease-fire offer from Kabul threw the guerilla parties in Peshawar into total confusion. The first automatic response was individual rejections by each group, despite the fact that seven of the most important groups are aligned in the Islamic Unity of Afghan Muahideen. However, as the cease-fire date approached, field commanders, recently returned from inside Afghanistan, approached the leaders for a united response and a positive alternative to Najibullah's offers. "It is not enough to just reject the cease-fire. The leaders have to offer something in return or Najib will have won the first round of the propaganda war," said one commander.

It took five days in intense negotiations before the seven parties could agree to a united response, which they announced at a mass

rally in Peshawar two days after the cease-fire was declared. However, they posed no alternative solution to the Afghan crisis, apart from doing what they were already expected to do, which was to reject the cease-fire and carry on fighting.

### Long divided

The disunity within the Afghan groups has a long history. At present the Alliance consists of four fundamentalist parties, the Jamaat-e-Islami led by Burhanuddin Rabbani, Hizb-e-Islami led by Gulbadin Hikmetyar, another Hizb-e-Islami led by Younis Khalis, and the Islamic Alliance led by Professor Abdul Sayyaf. There are three moderate or what would be better termed traditionalist groups, the National Islamic Front of Syed Ahmad Gailani, Jabha-e-Melli led by Sibghatullah Mujaddedi, and Harakat-e-Inquilabi led by Nabi Mohammadi.

The leaders of the four fundamentalist groups have their origins in the Young Muslims movement that sprang up in Kabul in the 1970s opposed to the Government of Pre-

sident Mohammed Daud. Some made their way over to Pakistan and as the Afghan government was at that time giving refuge to Baluch and Pathan supporters of NAP, then Prime Minister Z.A. Bhutto ordered the recruitment of these Afghan youth by Pakistan's Inter-Services Intelligence. Gulbadin arrived in Peshawar in 1974 and was used by the ISI to help plan attacks on Afghan Government installations, so as to counter Daud's help to NAP.

Rabbani, a teacher in the Islamic department of Kabul University, enlisted the help of Pakistan's Jamaat-e-Islami around the same time. Sayyaf, who also taught Islamic studies in Kabul, reached Peshawar only in 1980. He had close links with Saudi Arabia and holds puritanical Wahabi views. Only Younis Khalis, a white-bearded Maulvi of the "old school" had a substantial following in parts of Afghanistan. Until recently he was the only guerilla leader who actually went into Afghanistan with his men, despite the fact that he only has one kidney.

The three traditionalist groups had more well-known figures. Ahmad Gailani is descended from one of the oldest Afghan families of hereditary Pirs of the Qadiriya order. A businessman and secular in outlook, he is married into the Afghan royal family. Mujaddadi belongs to a venerated religious family of Kabul who were traditional leaders of the Naqshbandi Sufi order. Mohammadi belongs to the Ahmadzai Pushtuns and was a noted religious scholar and former member of the Loi Jirga.

#### **Amenable to outside influences**

There is great significance in the background of these Afghan leaders. Most of the fundamentalist leaders were unknown before the war started. They had no position in the tribal, political or religious hierarchy, which is so important in a tribal society like Afghanistan's. Neither could they claim natural leadership qualities, as their inability to unite demonstrates. This made them immensely amenable to outside influences and backers who would arm and finance them.

The fundamentalist groups, already based in Pakistan by 1980 when the guerilla war started in earnest after the Soviet intervention in Afghanistan, had great advantages. They had close links with the Jamaat, Pakistan's military intelligence and support from President Zia because of their religious zeal. They also had close ties with Saudi Arabia and were thus natural allies of Washington's policies when the arms aid pipeline began to function.

#### **Fundamentalists chosen**

Over the intervening years the influence of the traditionalist groups has declined. They were largely loose coalitions, rather than disciplined Islamic parties and were thus less effective on the battlefield. Moreover their leaders spent more time in foreign capitals than organising the resistance inside Afghanistan. The Americans also suspected them because of fears that they could compromise with Kabul and agree to a negotiated settlement. As a consequence they were ignored by the foreign backers of the Afghan guerillas. Even China preferred backing the Islamic fundamentalists to the traditionalists, once Peking had disbanded Sholay, the Maoist Afghan guerilla group that also resisted the Soviets.

An even greater tragedy was that other small, secular groups were totally ignored and the cream of Afghanistan's educated youth, that went into exile, moved to Europe and America rather than stay in Pakistan, under the tutelage of the Islamicists.

#### **No political goals**

Since 1980 there have been numerous alliances amongst the fundamentalist groups, but Gulbadin has refused to join any one. Similarly there have been alliances amongst the traditionalist groups also but all have failed. In 1985, after much prodding from Pakistani, American and Saudi diplomats the latest Alliance was formed which for the first time included all the major groups including Gulbadin. However, chronic disunity persists, because of the intense individual

## A dilemma

antagonisms of the leaders, the fights over the vast amount of money and arms that is pouring into Peshawar, and the lack of any political goals which could unite them.

The parties still have no concrete policies or a common programme, nor a common strategy or a vision of the future for Afghanistan. Their belief in Islam is profound but it has not given them the kind of economic, social and political programmes which would present an alternative for the people in the refugee camps.

Their disunity has not, however, prevented guerilla groups inside the country from cooperating much more closely in order to survive. There has been increased tension recently between field commanders inside Afghanistan and the leaders in Peshawar. The Peshawar leaders control the weapons and cash flow to their men inside. Field commanders have previously accused them of corruption by withholding arms or selling them on the Pakistani black market. As supply trains find it increasingly difficult to get through because of new Soviet tactics of ambushing convoys and KHAD's intelligence network in Peshawar, which gives advance notice of convoys' departures; commanders inside are being starved of essential supplies. They blame their leaders for their inability to keep the routes open and their lack of security in Peshawar.

"The strength of each party, and the extent to which they receive foreign aid, rests on the effectiveness of their commanders in the field. These commanders are more respected and popular than the Peshawar leaders among the people", said an Afghan analyst. The commanders' role in getting the leaders together recently demonstrates the importance they have. The Peshawar leaders are aware that their strength comes not just from a popular base in the camps, but the money and guns they can supply. The commanders, however, have much greater popularity and the leaders are both scared and wary of this.

Pakistani diplomacy at the Geneva talks faces a self-created dilemma at present. The lack of aid and support has demoralised the traditionalist groups which might have been willing to talk to Kabul, through the Geneva peace process. They are now totally dominated by the fundamentalists who refuse to talk to Kabul. If a UN peace settlement becomes a reality, no Afghan group in Peshawar will be willing to take part, which could well destroy any chance of a settlement.

Informed sources have said that the Pakistan Foreign Office had been warning both the military regime and military intelligence of the short-sightedness of the policy of supporting only the fundamentalists. A time would come, diplomats argued, when Pakistan would need more moderate groups to take part in the negotiations. Now it may be too late.

Najib's cease-fire offer also depends on Kabul being able to put together a credible coalition government. Such credibility could only come, not from King Zahir Shah, but from moderate groups who have fought the Kabul regime and the Soviets and would now be willing to participate in the peace process.

Pakistanis fear that Washington's unwillingness to take Najib's offers or the Geneva talks seriously will be translated into President Zia doing the same. In 1983, according to US Press reports, Washington was instrumental in preventing Pakistan from coming to a settlement with Moscow during an earlier phase of the Geneva peace talks. Up before Congress next month is a 4.02 billion dollar aid package for Pakistan which includes nearly 2 billion dollars of arms for the Pakistan Army. President Zia and the army clearly cannot afford to annoy Washington at such a crucial moment. However, at the same time the crescendo of demands for a settlement with Afghanistan have become overwhelming in Pakistan and if Geneva produces nothing, President Zia's regime and, therefore, the strategic interests of the United States in the region could be at risk.



## Anti-Refugee Sentiments Discussed

Lahore VIEWPOINT in English 5 Feb 87 pp 21-22

[Text]

PESHAWAR, the 'Frontline City', looks at first sight the old market town one knew — the roads crowded with automobiles and tongas, bazaars crowded with shoppers, school-children hurrying along footpaths. But, as one turns on to the University Road, one begins to notice the changes brought about by alien intervention over the last few years — scores of minibuses with TRP number-plates hurtling along at high speed, 'baras' after every few hundred yards, numerous offices and bungalows with signboards of agencies connected with Afghan rebels and refugees, walls plastered with posters stuck by the Afghan dissidents, and rows and rows of 'khokhas' set up by refugee vendors. The Pakistani town almost merges its identity into a sprawling, shapeless Afghan settlement. The moment one starts talking to the local residents the feeling of normality disappears and Peshawar bares itself as the most acutely disturbed city in the country, assailed by excruciating fears. And all apprehensions stem from the Afghanistan situation and the presence of refugees in the area.

Everybody one can talk to wants the Afghan refugees sent back home, except of course, for the Jamaat-i-Islami workers or the contractor who does not wish to lose the cheaper refugee labour before his construction project is completed. The reasons for wishing an end to the refugees' presence vary. The normal economic life of the city has been disrupted, says a cloth merchant. The whole population is rushing to

buy inexpensive Soviet goods, specially textiles. Real estate value has appreciated dangerously, and rents, too. An old chemist faces no competition from refugees, indeed his business has picked up, but he is all the time afraid of groups of refugees moving around freely. A senior member of the Bar has similar fears. "These people have a different way of life than ours and we have a traditional fear of strangers hovering around our houses", he says. The scare caused by bomb blasts is not concealed. The satellite town residents avoid the old city's congested areas as well as the Afghan buses, one is told. A local daily's reporter asserts the police finds more bombs than it publicly acknowledges.

On a higher political level, one often hears the complaint that the Afghan problem has enabled the unrepresentative and unpopular regime to perpetuate itself, to give the Central establishment a cover to suppress the democratic forces and deny the NWFP's aspirations for autonomy. One grievous harm done to NWFP is said to be the strengthening of the obscurantist lobby which must have increased its nuisance capacity to cause so much annoyance to the deeply religious Pathans as to turn many of them to secular politics. The ransacking of 'Frontier Post' is cited as an example of the growth of fanaticism. A local newsman has been threatened for calling the Kabul regime by its proper title — the DRA.

Surprisingly, few people are interested in tracing the history of the Afghan issue or the merits of the Pakistan Government's policy. The single common theme of interest is the outcome of Kabul's ceasefire and conciliatory offers. An overwhelming majority believes that Kabul's offers must be accepted as it has gone as far towards a settlement as it could and that a negative response could expose the 'frontline areas' to extremely grave risks of retaliatory action. A senior journalist known for his perceptive analyses sums up the common mood: "You cannot procrastinate matters in search of complete or ideal settlement. A beginning towards reconciliation among the Afghans has to be made, the way to normality opened. Something has to be done. On the one hand, the Soviets and Kabul have offered a handsome opportunity, and on the other the domestic pressures on Islamabad are too great to permit further dithering." But doubts persist whether Islamabad will have the will to settle matters if the Americans are determined to keep the conflict going, as their representatives have indicated to the guerilla leaders.

One significant factor strengthening such doubts is the controversy over the Tirah road which the authorities insist on building in the face of stiff opposition from the tribals. It is agreed that all the Afridi sub-tribes around the road site are opposed to the project, except for one section of the Zakakhel. Reference is made to some tribal maliks' fear of damage to their forests or social eminence, but most people have an uneasy feeling that the project is designed to provide an arms depot for the guerillas operating in Afghanistan as their older supply depots have been destroyed. There is no answer to the common plea for putting off the road construction till an Afghan settlement has been reached or for rejecting the age-old principle not to build roads in the tribal belt unless expressly desired by the local inhabitants. A tribal sardar is quoted as saying, "why build a road now that fighting has ended?"

## Refugees' return

There is considerable difference of opinion about the possibility of the refugees' returning home. Many people feel that the guerilla hardliners are forcing the refugees to stay put. Complaints are heard that armed guards have been posted along the highway leading to Torkham to discourage the people from returning to Afghanistan. A trickle across narrow paths along the border is reported by several quarters. One political leader reports contact by a refugee group in a camp that wanted to go back but is scared of 'spies' spread around by the guerilla leaders. Dissidents can be liquidated or denounced as Khad agents, it is said. Some refugees, who have settled in villages and developed permanent interest, are obviously reluctant to go back. Besides, one can understand that a large body hesitates to return home because it has no clear idea of the situation in Afghanistan and is still under the influence of their leaders' propaganda.

The conversation often veers towards the motives behind the Moscow-Kabul initiative. There is a clear consensus that the Soviet Union is now ready to withdraw its troops. Some people accept the Western thesis that the Soviet Union wants to give up its support to Kabul as a hopeless, costly undertaking. On the other hand, quite a few people from Peshawar have recently visited Afghanistan and reported their finding that the Kabul authorities have consolidated their hold and are not afraid of dissidents provided the foreign arms pipeline is plugged. According to an ANP leader who recently saw DRA President driving in Kabul without guards (and drew parallels at home), Kabul has raised its army strength from 85,000 in 1977 to about 300,000 and the Soviet troops have been withdrawn from active assignments. Further, preparations are going on to hold the grant Loi jirga and make the house of nationalities/tribes functional.

The overall impression one gets in the streets of Peshawar is that the whole population wants an imme-

diate settlement on Afghanistan. There certainly is a section that believes that Pakistan cannot change its policy until the Soviet troops pull out and Islamabad's interests are guaranteed, as the correspondent of a Karachi daily put it. But a great majority is convinced that the terms offered by Kabul are fair and Pakistan should avail of this 'possibly last chance' to extricate itself from the crisis which poses serious threat to stability at home.

#### Parties, Leaders Consensus of Settlement

Lahore VIEWPOINT in English 5 Feb 87 p 23

[Text]

**THE CRISIS** in Pakistan's politics has reached a breaking point and the Afghan war with all its ramifications — is viewed as one of the main factors responsible for the grave internal situation. The emerging consensus is for direct talks with Kabul, return of refugees to Afghanistan and for grasping the openings created by the initiatives of both the Soviet and the Afghan Governments. Reproduced below are positions of the political parties and leading opinion-makers — independent politicians, former diplomats, bureaucrats and servicemen — on the urgency of settling the Afghan problem:

**Pakistan People's Party**, whose central executive committee in its meeting (19-20 May 1986) in Karachi had passed a resolution for an immediate political solution to the Afghan conflict providing for return of refugees and withdrawal of Soviet troops, subsequently became more specific in its demand. Ms. Benazir Bhutto, Co-Chairperson of the Party, addressing the Bar Association in Rahim Yar Khan (20 Oct. 1986) called for direct negotiations with Afghanistan to resolve the issue. Earlier in Karachi (July 29) she had welcomed the Soviet pull-out offer of six regiments from Afghanistan as a "positive step" which would "help" accelerate the speed of Geneva negotiations" and lead to a political settlement.

**Awami National Party (ANP)** — a Party formed in mid-1986 with the merger of four progressive parties (Awami Tehrik, PNP, NDP and MKP), has persistently advocated direct talks with the Kabul Govern-

ment and immediate return of the Afghans to their homes. Party President, Khan Abdul Wali Khan, addressing the District Bar in Lahore (December 1986) said that the Afghan war was no longer confined to Afghanistan and had crossed into Pakistan. Earlier in a Press statement issued in Peshawar he had welcomed the troops withdrawal offer of the Soviets and urged the government to respond to it.

**Tehrik-e-Istiqlal**. The National working Committee of the Party meeting in Lahore (29 Oct. 1986), with Air Marshal Asghar Khan in the chair, called for direct talks with Kabul. In a Press conference in Hyderabad (Jan 20, 1987), Asghar Khan said that the Government should respond to the Kabul's ceasefire. Earlier addressing a workers'

rally in Sheikhpura (Dec. 3, 1986), Asghar Khan had advised Islamabad to enter into direct negotiations with Moscow.

**Pakistan National Party (PNP).** Working Committee meeting in Peshawar (July 13, 1986) expressed the need for direct talks with the Kabul regime and early return of the refugees.

**Pakistan Socialist Party (PSP).** General Secretary, Abid Hasan Minto, at a party meeting in Lahore (Jan. 23, 1987) asked for direct dialogue for a lasting solution to the Afghan problem. He further urged the Pakistan Government to recognise the present Kabul Government to expedite friendly relations with Afghanistan. Supporting the ceasefire offer he demanded the immediate return of Afghan refugees.

**Pakistan Democratic Party (PDP).** Nawabzada Nasrullah Khan in a recent statement to the daily Dawn, (Jan. 16, 1987) welcomed the recent Soviet and Kabul initiatives and asked for an early political settlement.

**National People's Party (NPP).** while the Deputy Secy. General of the Party's NWFP Wing stated in Peshawar (28 Jan. 1987) that there should be no negotiations until the Soviet troops had withdrawn, its Chief Organiser, S.M. Zafar, in Lahore (8 Jan. 1987) asked Pakistani Government to start talks with the Afghan Government and Mujahideen to achieve the withdrawal of Soviet troops.

**Jamiat-Ulema-Islam (JUI).** Condemning the Soviet Union for intervening in Afghanistan and the U.S. for impeding a solution, the JUI has held the Afghan refugees responsible for the explosions in Peshawar. Maulana Fazlur Rehman, chief of the Party, while talking to reporters in Pindi strongly condemned (10 Jan. 1987), the Mujahideen's interference in Pakistan's political affairs.

**Jamiat Ulema-i-Pakistan:** The JUP chief, Maulana Shah Ahmad Noorani, told a Press conference in Lahore (June 26, 1986) that "the policy of

indirect talks on Afghanistan is no longer valid : . . . Pakistan should hold direct talks with the representatives of the Kabul regime. . . ."

**Pakhtoonkhwa NAP.** The President of the Party, Abdul Rahim Mandokhel, while addressing the Baluchistan Bar in Quetta (29 Nov. 1986), asked for recognition of the Kabul government and for direct talks with it.

**Jamaat-e-Islami (JI)** has been a consistent supporter of the Mujahideen. Its Amir, Mian Tufail Mohammad, addressed a rally in Peshawar (Jan. 9, 1987) and reiterated the party's support to the "Jihad" in Afghanistan and opposed the offer of ceasefire made by Najibullah.

**Pakistan Muslim League (PML).** The party position is the same as that of the Government, i.e., there will be no direct talks with Afghanistan so long as the Soviet troops are present there.

**Dr. Mubashir Hasan,** former Finance Minister, at a Press Conference in Lahore (Jan. 3, 1987) asked the Government to respond to the ceasefire offer by Afghanistan and to "stop being a conduit of arms" and an "agent" in a "civil war".

**Agha Shahi,** former diplomat and Foreign Minister, speaking in Lahore (December 1986) to a gathering of intellectuals warned that time was not on the side of Pakistan or the Afghan Mujahideen. He recommended that the offer of a reduced time frame of even 18 months should immediately be taken up.

**Fakhr Imam,** ex-speaker of the N.A., recommended direct negotiations with Kabul while talking to correspondents of a Lahore daily (Aug 25, 1987). "We should appreciate Gorbachev's demonstration of good intentions by withdrawing troops," he said.

**Mian Arshad Hussain,** former Foreign Minister, in an interview to a Lahore daily (30 July 1986) welcomed Soviet withdrawal of troops and suggested holding of direct negotiations for which recognition of the present Afghan regime is not necessary. **K.M.**

## Negotiated Peace: Geneva Talks Viewed

Lahore VIEWPOINT in English 5 Feb 87 pp 24-26

[Text]

SELDOM HAVE international negotiations regarding a global hot-spot been subjected to such a sea-saw of hope and disappointment; but for the past five years, the UN-mediated attempts to bring about a peaceful political settlement of the Afghanistan issue have seen just that; more than once a settlement seemed within reach, only to vanish under apparent American pressure on Pakistan, forcing the courageous Diego Cordovez to prolong his patient mediation. And now, as the world gears itself up for yet another Geneva round, there are hopes that this process will at last come to a positive end.

Although the indirect Geneva talks began in April 1982, it had been clear from the very earliest days after the Saur Revolution four years earlier that Afghanistan had the potential to become the focus of regional tensions.

Ironically, in the face of the subsequent dispute over direct and indirect talks, Pakistan in fact was among the first States to recognise Noor Mohammad Taraki's new government in Kabul. On May 17, 1978, the then Pakistan CMLA General Zia sent a message underlining Pakistan's desire for good-neighbourly relations. But less than three months after the declaration of the Democratic Republic of Afghanistan, reports began to come in of an Islamabad-based resistance to the new Government in Kabul.

### Instability

Within the year, compounding a problem of disputes within the ruling People's Democratic Party of Afghanistan, allegations of mutual territorial violations and U.S. support for the anti-Kabul rebels increased. By October 1979, the self-proclaimed 'Mujahideen' claimed to have seized control of some 12 provinces close to Afghanistan's borders with

Pakistan, while Hafizullah Amin's replacement of Taraki as the DRA President seemed to bring internal political instability to a head.

This situation culminated on December 27, 1979, in the overthrow of Amin, his replacement by Babrak Karmal a Parcham leader, earlier in near-exile in Czechoslovakia – and the arrival of Soviet troops in Afghanistan pledging to uphold the country's solidarity in the face of the "continuing and broadening interference and provocations by the external enemies of Afghanistan". Boggled down in Iran and needing some reason to delay the ratification of SALT-II, Washington secured an ideal diversion. On December 30, Carter's National Security Adviser Zbigniew Brzezinski publicly declared America's commitment to use armed force if necessary to help Pakistan preserve its territorial integrity. Meanwhile, SALT-II's ratification was delayed – eventually abandoned – the Rapid Deployment Force received its first major budgetary commitments, and the U.S. military presence in the Indian Ocean was boosted significantly.

With hindsight, it can be seen that the intervening period before the commencement of the Geneva process laid the pattern for the attitudes which were to govern the top-start progress of attempts to secure a political settlement.

### Offer of talks

In April 1980, Kabul issued a formal proposal for unconditional bilateral talks with Pakistan and with Iran, aimed at normalising relations. This, however, coincided with Washington's implication of a linkage between Pakistan support for the Afghan insurgents and a resumption of U.S. aid, terminated in April 1979 after reports that Pakistan was attempting to build the Bomb. General Zia's rejection of a January 1980 offer of 400 million



dollars in U.S. economic and military aid was certainly not a rejection of the implied linkage: Islamabad merely thought the offer was too small. Confirming its opposition to the Kabul Government, Pakistan in the same month rejected Afghanistan's invocation of the right of hot pursuit, adding that military action would follow any territorial violation.

Just over a year later, on August 24, 1981, Kabul made a fresh attempt, declaring its willingness to negotiate "at any time, at any level acceptable to both sides and in any place". Meanwhile, UN sources report that during this period, the Afghan and Pakistan Governments reached a tentative four-point agenda for negotiations, with General Zia noting that Kabul's proposals revealed "flexibility" in the Afghan approach to the problem. But again, less than a month later, Congress miraculously accepted a five-year 3,200 million dollar package of economic and military aid to Pakistan, the negotiations for which had dragged on for some six months. The package included F-16s and a limited suspension of the 1979 legal block to U.S. aid for Pakistan.

Although representatives of the parties involved met during the September 1981 at the UN General Assembly session in New York, there was to be no substantive progress until the early months of following year. With Iran steadfastly refusing to hold any form of bilateral negotiations with Kabul and with Pakistan also rejecting direct bilateral contacts, the indirect UN-mediated structure of the future Geneva talks was established. Moreover, the tentative agenda concluded in August had included the removal of foreign troops; pledges of non-interference; international guarantees; and the return of refugees — precisely the shape of the four now famous Geneva Instruments.

### Hope of accord

Preceded by Cordovez's first regional shuttle, the first round of the Geneva talks began on June 16, 1982, with Cordovez indicating that

his mediation between Afghan Foreign Minister Shah Mohammad Dost and the new Pakistan Foreign Minister Sahebzada Yaqub Khan was only to last until the two sides were agreed upon a basic framework for concrete negotiations, believed to be close to completion. But despite these seemingly positive beginnings and reports of secret Pak-Soviet-American contacts in the autumn of that year, progress over the next six months was slow; the scope of mediation seemed largely limited by Islamabad's outright refusal to even contemplate a direct dialogue.

Meanwhile, the World Bank during the formulation of its 1982-83 Budget, extended a massive 230 million dollars to Pakistan to assist Afghan refugees — more than doubling previous grants — and also offered to reschedule Pakistan's foreign debt servicing obligations.

The indomitable Cordovez again embarked on a regional shuttle in the early months of 1983, calmly reporting "progress" and noting his "profound satisfaction" with his talks in Moscow. The next few months then produced one of the greatest missed opportunities in diplomatic history — the near conclusion of an accord followed by the sudden breakdown in negotiations.

Beginning with Geneva-II in April, after which the Sahebzada reported "substantial progress", also indicating a strong belief that the USSR was sincere in considering a withdrawal, Geneva-II part 2 in June was preceded by widely-reported statements from Cordovez that an accord was "95% concluded". In a protocol to a draft agreement reported to have been provisionally signed by Dost and Sahebzada Yaqub Khan prior to the June round, an Afghan settlement was to be based upon a phased withdrawal of Soviet troops, a similarly staggered return of Afghan refugees accompanied by Pakistan's restraint on the insurgents and the promotion of a ceasefire, allowing the withdrawal of troops and return of refugees to take place under near-peaceful conditions. Significantly, Pakistan's acceptance of the simultaneous implementation

of these agreements amounted to a concession, returned in kind by a Soviet offer to present a specific time-table at the next meeting. After an initial agreement on these three points, it was expected that concrete measures would be worked out. There was also an unspoken agreement that as a future element of such a settlement, the Government in Kabul would be broadened to include non-PDPA members.

In effect, all that remained was the question of international guarantees to be resolved. Since Cordovez was keen for some form of support from the permanent members of the UN Security Council, in mid-May Sahebzada Yaqub Khan proceeded on a tour of Beijing, Washington and Moscow, the three permanent Security Council members principally involved in the Afghan issue. It is here that the potential accord came unstuck.

Chinese demands for public Soviet pledges regarding withdrawal were easily met by an almost immediate statement from the Soviet Ambassador in Pakistan. But on the eve of his arrival in Washington, studied Press leaks regarding CIA aid to the Afghan insurgents via Pakistan confronted the embarrassed Pakistan Foreign Minister, seemingly aiming to discredit the Geneva process. Not only did Washington refuse to pledge its support for the draft agreement, Shultz also declared that it was "inadequate" as it did not oblige the Kabul Government to change its political composition before a final agreement was signed. So openly interfering in Afghanistan's internal affairs, Washington's hard-liners knew that Kabul could never accept such a move and the talks would effectively be scuttled. In Moscow, the Pakistan and Soviet Foreign Ministers briefly discussed the logistics and the timing of a withdrawal and an end to assistance to the 'Mujahideen', but made no progress following a sudden Pakistan declaration that the draft needed further review.

Returning to Pakistan after an aborted Geneva-II part 2 Sahebzada Yaqub Khan declared on June 14 that the two sides were "far from

reaching a comprehensive settlement", and rejected Cordovez's announcement that there had been 'concessions' during earlier rounds. He also added that the talks were not at the stage where there could be any 'give and take'. Prior to Geneva-III, over a year later, Cordovez in interview admitted that "we were close to a settlement" in 1983.

Keeping up the pressure on the Pakistan Government and avoiding any possible reversal of its attitude towards the Geneva negotiations, the American administration ominously declared at the height of the September MRD movement in Sind, that it was considering "alternatives". There were also hints of a possible delay in the disbursement of the U.S. aid package.

### U.S. aid

During the 14-month hiatus in negotiations, the U.S. more than doubled its covert aid to the 'Mujahideen', which accounted for more than 80 per cent of the CIA's annual budget for covert operations. Over the next two fiscal years, the U.S. was to pump well over three quarters of a billion dollars in covert aid into its Afghanistan operation, leading to the now-famous assertion that this was the CIA's latest post-Vietnam exploit. Added to this was covert Chinese, Saudi and Egyptian aid to the insurgents. But the prolonged conflict was beginning to tell on Pakistan's internal conditions. Just one week before Geneva-III, the 'Mujahideen' were asked to shift their headquarters out of Peshawar while local concern over the refugees' involvement in narcotics and arms smuggling, and the undermining of Pakistan's sovereignty, increased noticeably.

This long gap between Geneva-II and Geneva-III and the concurrent surge in covert aid did little to foster confidence between the interlocutors, and it later became apparent that the next Geneva rounds were to stumble over this profound mutual distrust. While the drafting of the first three Geneva Instruments — relating to mutual pledges of non-interference, international guarantees and the return of refugees — was a positive step

forward at Geneva-III, it was at this point that the major difference in emphasis regarding the crucial fourth Instrument emerged. The Afghanistan Government wanted to be sure that as soon as an agreement was signed outside intervention would cease, while the Pakistan Government insisted that the central issue was the withdrawal of Soviet troops. Recognising the need for mutual understanding at this crucial juncture, Kabul apparently demanded a direct dialogue.

For a brief period in early 1985, hopes for an early conclusion of a political settlement increased. On his return from attending Chernenko's funeral in Moscow in March 1985 and following a surprisingly lengthy interview with the new Soviet leader Gorbachev, General Zia spoke of Pakistan's desire for friendly relations with the USSR, echoed by Prime Minister Junejo a few days later. Many believed that the local political opposition's increasing demand for a direct dialogue was about to bear fruit. But following a clear and public message from the U.S. Ambassador in Pakistan that the U.S. did not favour a direct dialogue, the Pakistan Government reverted less than a month later to referring to the Afghan Government as the 'Soviet-puppet regime'.

### Holding operation

Geneva-IV in June 1985 saw the near finalisation of the draft Instruments, but with Cordovez preferring to emphasise this "encouraging progress" and downplay the growing dispute over the format question. With the talks finally getting to grips with the crucial Instrument-IV, the format issue came to a head, and Cordovez grimly declared shortly before Geneva-V in August 1985 that he expected the fifth Geneva round to be "a holding operation". Indeed, there were considerable fears of a replay of the 1983 collapse, compounded by Sahebzada Yaqub Khan's visit to Washington shortly before the round began, ostensibly related to the continuation of U.S. aid to Pakistan into the next decade.

Geneva-V was indeed a dramatically short round, delayed for two days due to the format dispute. However, the world in 1985 was not what it had been in 1983. As part of an increasing attempt to end their mini cold war, there were at least three high-level U.S.-USSR regional consultations between May and September of that year, and in early August, the British 'Sunday Observer' reported a "key shift" in Washington's attitude towards the diplomatic process. This was to a certain extent confirmed after the Reagan-Gorbachev Summit when on December 13, just before Geneva-VI, the American administration finally matched an existing Soviet offer to act as an international guarantor of an eventual settlement. During the same period there were also growing signs of a consolidation of the Afghan Government with local elections beginning later in 1985, while the Soviet Union issued a dramatic call for a "positive dialogue among all Afghans". Perhaps aiming to signal a growing confidence of their internal strength and thereby bring greater pressure to bear upon Islamabad, the Afghan Government in January 1986 reportedly circulated — for the first time — a withdrawal timetable.

### Concessions

Outside the Geneva process, concessionary measures followed thick and fast from the Afghan-Soviet side throughout the next year, including an acceptance of the indirect mode of talks, the replacement of Babrak Karmal, and the later induction of several non-PDPA members into the Afghan Government, the withdrawal of six Soviet regiments, attractive appeals for regional peace and the recent declaration of a unilateral ceasefire.

Although Geneva-VI was suspended due to the format dispute, a lengthy regional shuttle by Cordovez in March 1986 appeared to solve the problem, and two months later at Geneva-VII the interlocutors for the first time actually considered the two remaining hitches to an accord: cessation of intervention and a withdrawal timetable.

But while in early 1986 Islamabad reported receiving "positive signals" from Moscow, by Geneva-VII the Pakistan Government had apparently concluded that in the face of possible U.S. support for recently returned opposition leader Benazir Bhutto, acceptance of an Afghan accord could jeopardise the continuation of U.S. support for its rule. Yet again, the visit of a Pakistani leader — this time the Prime Minister — to Washington shortly before a Geneva round served to ensure that the resumption of Geneva-VII in late July 1986 ended with the reported trading of irreconcilable withdrawal schedules. Two months later, the Chief of U.S. Central Command and Caspar Weinberger came to Islamabad, sparking off talk of Pakistan's acceptance of direct CIA supplies to the 'Mujahideen', and the supply of AWACS and raising fears that a political settlement was again under threat. Rejection of all Afghan-Soviet concessions as a mere 'ruse' did little to help.

#### Breakthrough

Then came the dramatic breakthrough in November when Cordovez's two-week regional shuttle through agreement on the supervision of the accord's implementation, effectively leaving the two sides

simply to "fill in the blank" for a withdrawal timetable at the next scheduled during this month.

While there has been no significant reduction in Washington's negativism, many now believe that the Pakistan Government is aware that any further prolonging of the Afghan dispute would have disastrous internal repercussions. And if current rumours circulating in Islamabad that a stunningly brief withdrawal timetable of six months will be presented at the forthcoming meeting turn out to be true, the Pakistan Government may for the first time in five years of negotiations may find it impossible to reject the opportunity of peace.—C.B

#### THE GENEVA ROUNDS

Geneva-I June 16-25 1982  
 Geneva-II April 11-22 1983  
                   (extended)  
 Geneva-IIb June 2-4 1983  
 Geneva-III August 24-31 1983  
 Geneva-IV June 20-24 1984  
 Geneva-V August 29-30 1985  
 Geneva-VI December 14-19 1985  
                   (suspended)  
 Geneva-VIIa May 5-26 1986  
                   (suspended)  
 Geneva-VIIb July 30-August 6  
                   (suspended)  
 Geneva-VIIc February 27

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